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CENTRAL LABRADOR REGIONAL TOURISM PLAN

Marshall Macklin Monaghan Limited
Omnifacts Research Limited

CENTRAL LABRADOR REGIONAL TOURISM PLAN
EXECUTIVE SUMMARY

Background to the Study

As an emerging destination, Central Labrador will face a number of challenges in its attempts to gain a higher profile in the tourism marketplace. In addition, given the increasingly competitive and sophisticated marketplace, a concerted effort is required on behalf of the emerging destination/product to establish even a small foothold or niche in the market.

The mandate of this study was to build upon the strengths of various organizations, identify strategies to facilitate greater cooperation among and within groups and, through a process of public consultation, encourage groups and individuals to "take ownership" of the plan and commit to the implementation of the plan.

Study Objectives

The development of a coordinated strategy for tourism development and marketing in Central Labrador has been undertaken given the following objectives:

1. *To prepare a Regional Tourism Development and Marketing Plan for Central Labrador*

   The Master Plan is a statement of broad goals, objectives and policies outlining a general course of action for developing and marketing the tourism industry of Central Labrador. It establishes priorities and procedures for product development, marketing and the organization of interests and efforts.

   The Master Plan is broad in scope and flexible in approach to accommodate existing conditions.

2. *To prepare a Development and Marketing Plan for the Outfitting Product, focusing on Happy Valley-Goose Bay as a Service Centre*

   A focus of this study was to review the character of the Outfitting Industry operating out of the Lake Melville area and to develop guidelines to assist in the further development and marketing of the Labrador outfitting product. A separate report entitled 'Outfitting Overview' has been produced to accompany this document.

3. *To undertake a comprehensive public participation program to ensure that local residents have had opportunity to provide input during the study and have a clear understanding of and are involved in any development process which results from this study.*

   To this end, we coordinated a public symposium midway through the study to discuss and solicit public input on the study findings as well as undertaking an extensive interview process in the community.

Approach to the Study

The work program which was developed for this project focused on the integration of the following factors:

- **An evaluation of the existing tourism resource base** of the study region in terms of its natural, cultural and military attractions, tourist services, accommodation, food services and access. The shortfalls within this system were identified and recommendations put forth in the master plan to mitigate any constraints in addition to delineating strengths and opportunities which should be capitalized on.

- **An analysis of the region's target market segments, their travel patterns and characteristics** with an emphasis on their future potential. This data was presented in a manner which will facilitate utilization by area operators.

  The analysis placed priority on understanding the interests, needs and specific benefits sought by priority market groups with geographic origins which have a strong propensity and/or motivation to travel to remote and/or northern areas such as Central Labrador.

- **A strong element of public and industry input** to solicit ideas, involve the public and industry in the planning process and to create the momentum, support and commitment necessary to implement the proposed development and marketing opportunities.

- **Development of regional tourism development and marketing opportunities** which will strengthen the area both as a general tourism destination as well as enhance the profile of the outfitting industry in the broader marketplace.

- **Identification of all commercial development opportunities** which could occur in the region and which would support the development and marketing plan.

- **Detailed assessment of four (4) selected opportunities** in terms of their market and financial feasibility.

- **Development of an Action Plan** which clearly set out priorities and responsibilities and establish marketing guidelines to target priority market segments.

The report is organized in the following manner, reflecting the study process which has been discussed:

•	**Tourism Plan:**	Part I	Summary of Issues and Opportunities
		Part II	Tourism Development Plan
		Appendix	Detailed Specialty Market Analysis
•	**Outfitting Overview:**	Under separate cover.	

TOURISM DEVELOPMENT PLAN

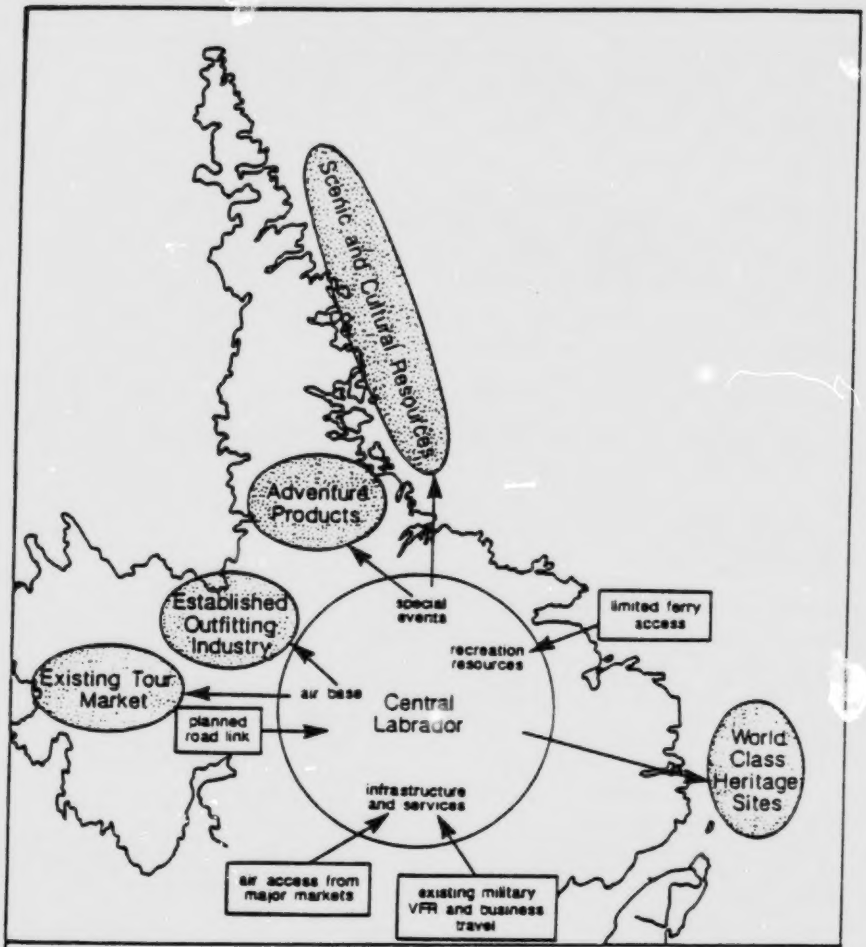
The plan which is presented in the report is intentionally broad in scope and flexible in approach, this to meet the needs of both the private and public sectors who will have a role in implementing the plan as well as to allow the plan to respond to unforseen changes which may occur in the future.

Strategic Approaches to Future Development

The strategic approach suggested for Central Labrador is one in which the area is positioned strongly as an access, service and orientation hub of the greater part of Labrador, while maximizing the opportunities available locally.

Inherent to this approach are the following key objectives:

1. Capitalize upon the strengths of the region surrounding Central Labrador.
2. Generate positive economic benefits locally.
3. Position Labrador as a separate destination form the rest of the Province and the study area as an integral point of entry/departure to this region.
4. Extend the length of time visitors spend in the local community of Happy Valley-Goose Bay and environs.
5. Improve the quality of the experience provided to the visitor in the gateway community of Happy Valley-Goose Bay.
6. Maximize the opportunities afforded by the military.
7. Build upon the success of the existing outfitting sector.
8. Expand the outfitting sector more into the area of adventure travel.
9. Establish strong linkages with other tourism development organizations in Labrador.
10. Protect the natural resources in the region to ensure the long term performance of the outfitting sector.
11. Provide employment and leisure benefits to the local resident communities of Central Labrador.
12. Enhance the marketing which is undertaken in the promotion of the area and its resources.
13. Enhance the organizational effectiveness of tourism promotion and development in the area.


Scenic and Cultural Resources
Adventure Products
Established Outfitting Industry
Existing Tour Market
special events
recreation resources
limited ferry access
air base
Central Labrador
planned road link
World Class Heritage Sites
infrastructure and services
air access from major markets
existing military VFR and business travel

CENTRAL LABRADOR'S STRATEGIC POSITION

Phasing and Priorization of Development Opportunities

A long list of development opportunities was provided in the Tourism Plan. These are described, priorized and the responsibility for project implementation is assigned in the attached table.

Four high interest projects were outlined in more detail. These projects included:

- Labrador Interpretive Centre
- Northwest River as a Day Trip Destination
- Destination Labrador - Labrador's Marketing Agency
- Gosling Park

Organizational Guidelines

The degree to which the Tourism Industry is well organized will directly impact both the region's and study area's success in the marketplace. The overriding objective is to provide a "unified front" with all organizations heading in the same direction, each with a clear understanding of its place within the system.

Organizational guidelines were provided for the Labrador Central Tourism Corporation, the Labrador Outfitter's Association and for the Labrador-wide tourism marketing agency which has been proposed in the plan.

Marketing Guidelines

In order to direct future marketing activities and evaluate the ongoing success of these efforts, marketing guidelines were provided in the report. This included:

- Establishing a context for the plan.
- Defining a marketing strategy for the area.
- Establishing key target markets.
- Establishing marketing objectives.
- Outlining marketing activities to be undertaken.
- Assigning implementation responsibility
- Overview of research and evaluation activities
- Estimating of budgetary implications

Summary of Economic Benefits

Economic impacts resulting from the plan are twofold:

Construction Impact - The economic benefits of the combined $2.1 million investment program total some $5.0 million, most (89%) within the province. This capital investment will result in 46.3 person years of employment; 15.9 person years (34%) in the local area and 26.0 person years (56%) elsewhere in the province.

PHASING OF DEVELOPMENT PRIORITIES

Opportunity	Responsibility	Capital Costs	Priority (years) 1-2	 3-5	 5-10
PRODUCT DEVELOPMENT					
Interpretive Centre *					
• Complementary services	• Public Sector with Military • Local tourist corporation and military interests	$ 802,000			
▸ guided bus tours			X		
▸ formalize air show				X	
▸ designate jet viewing area				X	
• Development of 1945 canteen/lounge			X		
	• private sector	$ 75,000		X	
Landmarks/Information Plaques	• local community groups • local tourist corporation	$ 1,200 each assume three	X	X	
Community Identity Development Campaign	• community councils • local tourist corporation	$ 2,500 per community assume $15,000	X		
Northwest River Day-trip Destination *	• private sector • community of Northwest River/ Shesheishiu	$ 465,600	X	X	
Local Tour Boats	• private sector	$ 65,000		X	
Sightseeing Plane	• private sector	$ 150,000		X	

* Denotes development as a high interest opportunity detailed in Section 5.4.

PHASING OF DEVELOPMENT PRIORITIES
(continued)

Opportunity	Responsibility	Capital Costs	Priority (years)		
			1-2	3-5	5-10
Summer Wilderness Camp	• community groups • private sector	$ 60,000			X
Labrador West Road Services	• private sector	N/A		X	X
Coastal Road Link	• local tourism corporation • Labrador Tourism Association	N/A	X	X	
Wilderness Lodge	• private sector	$ 450,000		X	
New Fishing Camps	• private sector	N/A			X
Goose Products	• private sector • local tourist corporation	Assume $10,000		X	
Foreign Specialty Services	• private sector	N/A			X
Gosling Park*	• Options include: - Provincial Park operation - Private/Semi private sector - Public sector - Committee	--	X	X	

PHASING OF DEVELOPMENT PRIORITIES
(continued)

Opportunity	Responsibility	Capital Costs	Priority (years)		
			1-2	3-5	5-10
National Park	• Parks Canada • Dept. of Tourism & Development • Labrador Tourism Corporation	N/A		X	
Boat Access	• Marine Atlantic • private sector	NA		X	
Churchill Falls	• local tourism committee • Town of Churchill Falls • Hydro Electric interests	-		X	
SPECIAL EVENTS					
Expand/Improve Existing Events	• Event committees		X	X	X
Goose Games	• Labrador Tourist Associations • Community groups			X	
Return to the Goose	• Event committees • Military interests			X	
Event Co-ordination and Promotion	• Local Tourist Association		X	X	

Operations impact - The economic benefits of operations are notable as tourist expenditures are expected to increase some $170 thousand over current levels. It is estimated that this expenditure will result in some $339 thousand in additional economic activity in the province annually. This activity results in 17.0 person years of employment, 50% of which will be in the local area, while the remainder will be elsewhere in Labrador or the remainder of the Province.

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Part One:
Summary of Issues and Opportunities

Central Labrador Regional Tourism Plan

Marshall Macklin Monaghan Limited
Omnifacts Research Limited

1.0 INTRODUCTION

1.1 Background to the Study

One of the major initiatives the Government of Newfoundland and Labrador has undertaken has been to develop major destination regions within the Province. As emerging tourist destination areas, Labrador as a whole and, specifically, Central Labrador's* tourism potential are only now being recognized by the travel trade industry as can be witnessed by the success of Labrador West's penetration of the general interest package tour market. It is for this reason that the consulting firms of Marshall Macklin Monaghan and Omnifacts Research Ltd. have been retained: to develop a general yet comprehensive course of action for developing and marketing the tourism industry in Central Labrador.

As an emerging destination, Central Labrador will face a number of challenges in its attempts to gain a higher profile in the tourism marketplace. In addition, given the increasingly competitive and sophisticated marketplace, a concerted effort is required on behalf of the emerging destination/product to establish even a small foothold or niche in the market.

To enhance the probability and level of success in penetrating the market, strong leadership and effective coordination of both public and private sector efforts are absolutely essential. This is one of the most fundamental issues which must be addressed by the Central Labrador area. A clear direction for the accomplishment of common goals must be established to focus the efforts of the various potential participants such as native groups, town councils, the chambers of commerce and the various development corporations, etc. To some extent, such an effort must extend beyond the Central Labrador area to other parts of Labrador, Newfoundland and Northern Quebec to ensure that opportunities for cooperation are capitalized upon. The recent formation of a tourism development corporation is an indication that recognition has already been given to the need for integration of efforts.

* Note: Central Labrador and Labrador Central are used interchangeably throughout this report.

The mandate of this study is to build upon the strengths of the various organizations, identify strategies to facilitate greater cooperation among and within groups and, through a process of public consultation, encourage groups and individuals to "take ownership" of the plan and commit to the implementation of the plan.

1.2 Study Objectives

To address the issues identified in the preceding section requires a clear understanding of the problems related to the potential for tourism development in Central Labrador. As such, the development of a co-ordinated strategy for tourism development and marketing in Central Labrador has been undertaken given the following objectives:

1. **To prepare a Regional Tourism Development and Marketing Master Plan for Central Labrador.**

   The Master Plan is a statement of broad goals, objectives and policies outlining a general course of action for developing and marketing the tourism industry of Central Labrador. It establishes priorities and procedures for product development, marketing and the organization of interests and efforts.

   The Master Plan is broad in scope and flexible in approach to accommodate existing conditions. The plan will be responsive to a wide variety of short and long-term target markets and will provide a breakdown of development opportunities.

2. **To prepare a Development and Marketing Strategy for the Outfitting Product, focusing on Happy Valley-Goose Bay as a service centre.**

   A specific focus of this study is to review the character of the Outfitting Industry operating out of the Lake Melville area and to develop goals, objectives and policies to assist in the further development and marketing of the Labrador outfitting product.

3. **To undertake a comprehensive public participation program to ensure that local residents have an opportunity to provide input during the study and have a clear understanding of and are involved in any development process which results from this study.**

To this end, we coordinated a public symposium midway through the study to discuss and solicit public input on the study findings. The symposium included representatives of native groups, municipalities, the outfitters association, development associations, the military and other community groups. In addition, we met with appropriate community groups and industry operators on an individual basis.

1.3 Regional Perspective

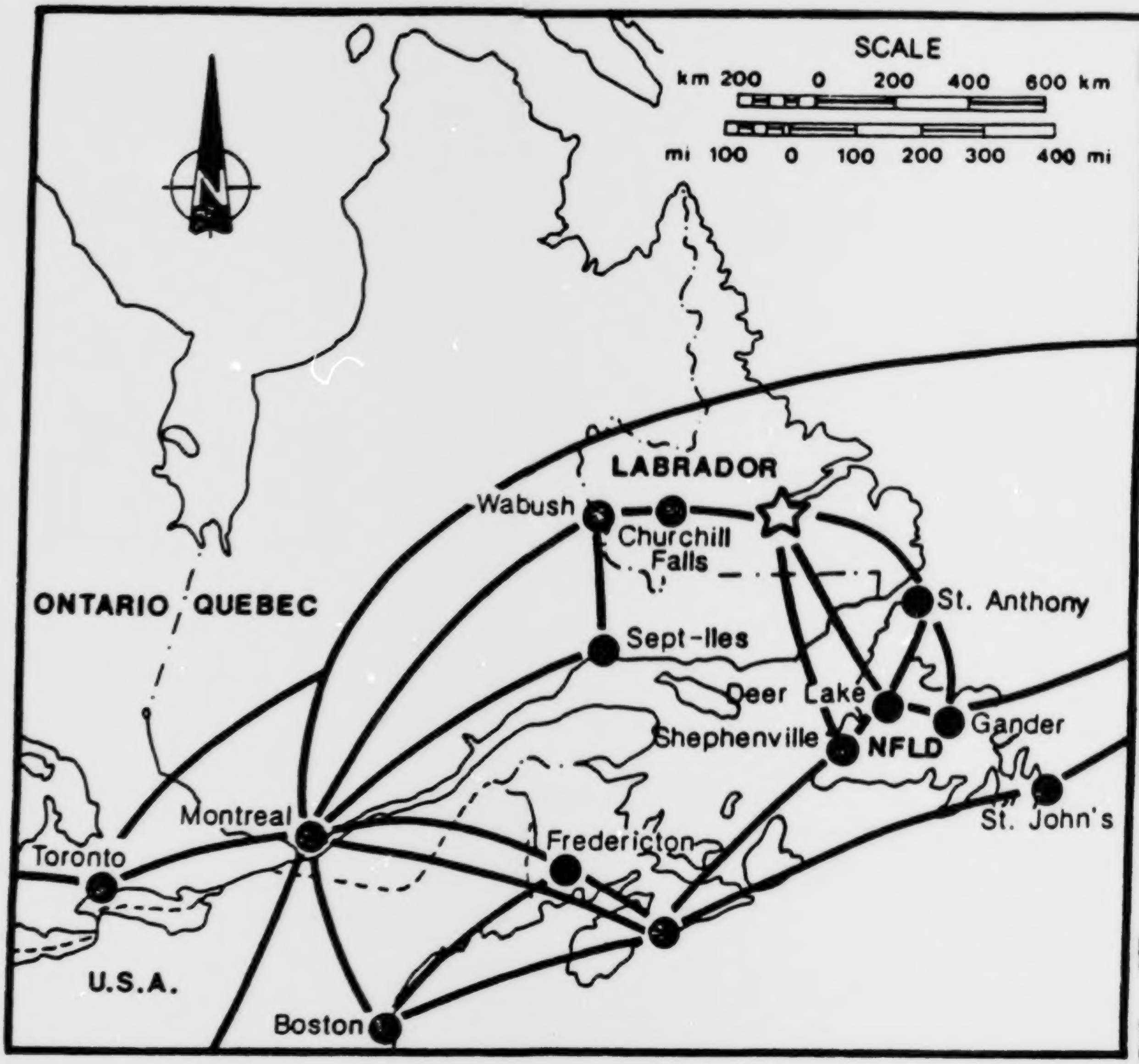
1.3.1 - Regional Setting

The regions of Labrador and, specifically, Central Labrador can be accessed year round by air from major Canadian, U.S. and European markets. The region is within 900 km from the major Atlantic centres of St. Johns and Halifax and is within 1600 km of other Canadian and American centres of Quebec, Ottawa, Toronto and Boston. Goose Bay is on the shortest air route between Europe and North America. Figure 1.1 illustrates the regional setting of the study area.

1.3.2 - Population Characteristics

Approximately 36,000 people live in the 31 communities in Labrador. Recent estimates have stated that there are 850 Innu, 1500 Inuit, 10,000 Settlers (those of European descent) and 24,000 "outsiders" (transients who have come to Labrador in recent years). Central Labrador is home to a mixture of these people.

The Lake Melville area encompasses the communities of Happy Valley-Goose Bay, The Settler/Inuit community of Northwest River, the Settler community of Mud Lake and the Indian community of Sheshaishiu. Figure 1.2 locates the communities which make up the Lake Melville region. Located 160 km inland on the southern edge of Lake Melville, the


SCALE
km 200 0 200 400 600 km
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N
LABRADOR
Wabush
Churchill Falls
ONTARIO
QUEBEC
St. Anthony
Sept-Iles
Deer Lake
Gander
Shephenville
NFLD
St. John's
Montreal
Toronto
Fredericton
U.S.A.
Boston

REGIONAL SETTING

FIGURE 1.1

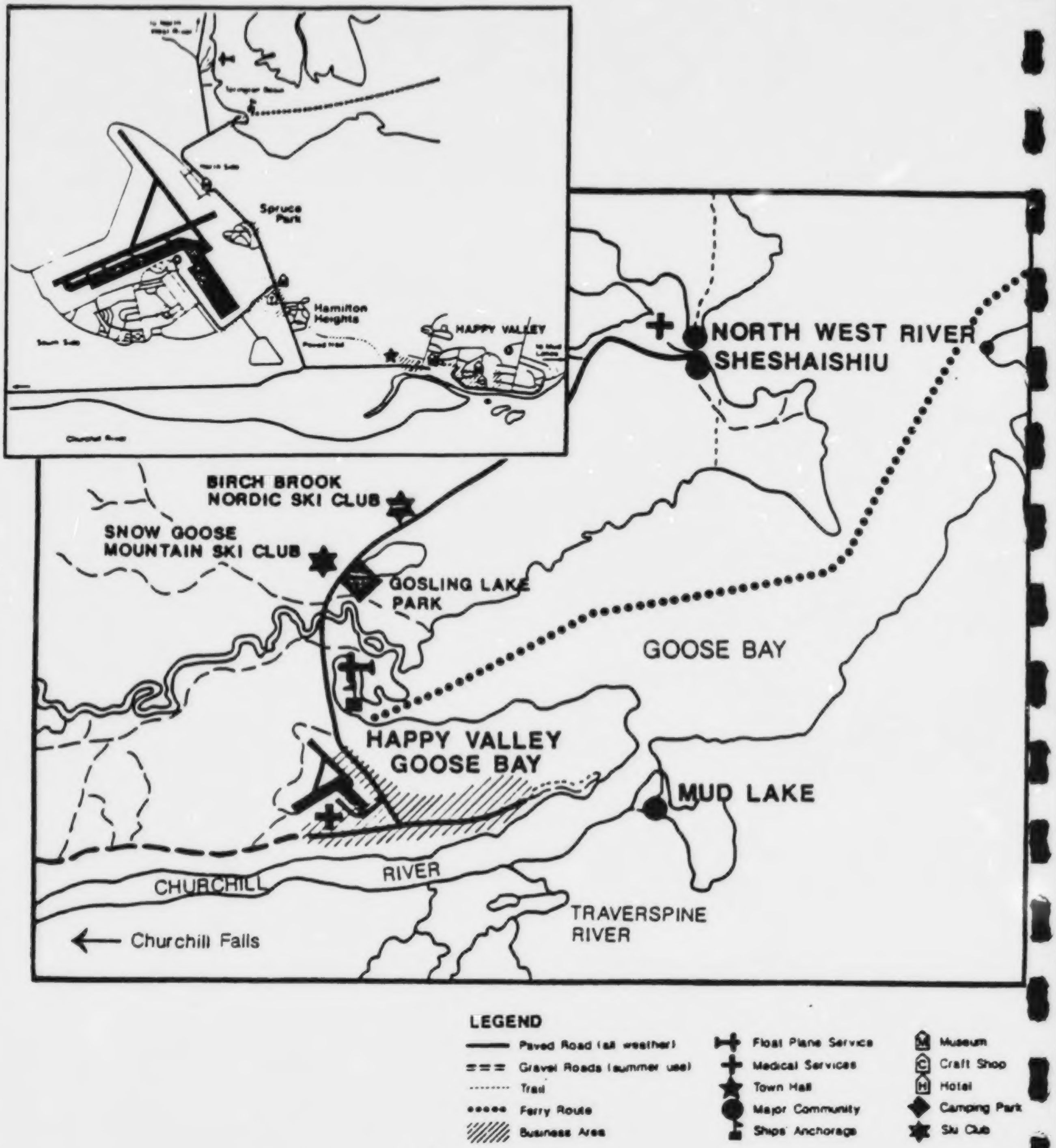
region exhibits a population of approximately 8,500 people or 28.6% of the total population of Labrador. This does not include the approximately 1,100 permanent residents who currently live on the military base. The residents of Happy Valley-Goose Bay account for about 85% of the regional population. In 1986, the population of this community was 7,248, showing an increase of about 2% since 1981.

Approximately 40% of the households in Happy Valley - Goose Bay have four to five persons, with an average household income of $34,000 annually. In terms of age distribution, the majority of the local resident market (36%) is comprised of those within the 25 to 44 age bracket. Most of the residents (32.9%) are employed by government services. Major employers in the Happy Valley - Goose Bay area are Public Works Canada, the Ministry of Transport and the military base. A large number of residents in the surrounding communities rely on hunting, fishing and the construction trades for employment.

1.3.3 - Community Development

The early history of the region is very much a story of the challenges of a new frontier. It is characterized by the fur trade, exploration and missionary work, a scenario which spans almost 200 years. The central location offered access to the ocean, good fishing and a temperate climate to early settlers from England, France and Scotland. In 1941, the military also found this area ideal and through an agreement between Britain and the U.S., the Goose Bay Air Base was established. This marked the beginning of a new phase in the development of central Labrador. As the Base developed, people from all over Labrador, as well as other countries, came to work in Happy Valley - Goose Bay. Today, only a small contingent of the American Forces personnel remain in Goose Bay on a permanent basis. Various foreign military have signed a multi-national memorandum of understanding (MMOU) allowing tactical flight training until 1997. As such, military personnel from Germany, France and the Netherlands operate here as well. The development of the military and the hydro development of Churchill Falls characterize the recent history of the region and have set the stage for future development in Labrador.

Presently a civilian airstrip, defense and other operations at CFB Goose Bay are still key factors affecting the development of the communities. With the gradual decrease in the


Spruce Park
Hamilton Heights
HAPPY VALLEY
South Side
North Side
Churchill River
NORTH WEST RIVER
SHESHAISHIU
BIRCH BROOK NORDIC SKI CLUB
SNOW GOOSE MOUNTAIN SKI CLUB
GOSLING LAKE PARK
GOOSE BAY
HAPPY VALLEY GOOSE BAY
MUD LAKE
CHURCHILL RIVER
TRAVERSPINE RIVER
← Churchill Falls
LEGEND
Paved Road (all weather)
Gravel Roads (summer use)
Trail
Ferry Route
Business Area
Float Plane Service
Medical Services
Town Hall
Major Community
Ships' Anchorage
Museum
Craft Shop
Hotel
Camping Park
Ski Club

STUDY AREA

FIGURE 1.2

amount of military activity and the U.S. Air Force pulling out of Goose Bay during the 1970's, the gates and security fences surrounding the expansive base were eventually taken down. This accounts for the distance between the centres of Happy Valley and Goose Bay (see Figure 1.2). Current planning efforts are attempting to close the 'gap' by directing residential and other developments in this regard.

The Base offers many employment opportunities for the civilians who reside in the area. Recent talks concerning the development of the $500 million NATO Tactical Fighter and Weapons Training Centre at Goose Bay have estimated the creation of 1500 new permanent employment positions of which a significant number will be held by civilians.

Given its key location and access, Happy Valley-Goose Bay has become the business transportation and administrative centre for the whole coastal region and the major service and distribution centre for the majority of Labrador.

2.0 INVENTORY AND ANALYSIS OF EXISTING RESOURCES

2.1 Natural Resources

As with any tourism destination, the natural resource base of Central Labrador plays an important role enhancing the appeal of the region to both the general interest and wilderness traveller. Aspects such as physiography, climate, vegetation and wildlife are key elements which influence the perception one may have of an area and influence their return.

2.1.1 - Physiography

The terrain of Labrador ranges from tundra, mountains and deep fjords in the north to coniferous forests in the central and southern regions, with countless rivers and lakes throughout. Situated on the easternmost portion of the Canadian Shield, Central Labrador offers a unique yet varied landscape. Approximately 160 km inland, the Central region's ground cover is characterized by rock, peat and podzolic soils. The natural formation of a 213 m (700 ft.) deep sand plateau formed the perfect location for the Goose Bay Airstrip. Also situated in the forested heart of Labrador is Lake Melville. Approximately 160 km long, the lake drains two-thirds of Labrador's watershed and connects with the Atlantic Ocean. This connection provides a major ferry access route between Labrador and Newfoundland. On the southern edge of Lake Melville sit the scenic Mealy Mountains which rise to a height of 450 m (1500 ft.).

2.1.2 - Climate

The climate of Labrador is classified as North Laurentian. Winters are long with temperatures reaching as low as -40°C. The land is snow-covered for more than half the year with moderate snow coverage as early as October (24.7 cm) and as late as April (46.6 cm). The mean yearly snowfall is 529 cm, with up to 80 cm of snow in January. The spring, summer and fall seasons can be considered to be relatively balmy with average temperatures ranging from 11.3°C to 15.8°C, with an extreme high of 38°C in July.

2.1.3 - Vegetation

Labrador is classified as being within a Boreal Forest Region. Within this classification, the majority of the region is categorized as forest and barren. The central area which surrounds Lake Melville is predominantly forest. Arctic species of vegetation cover the landscape with trees such as poplar, juniper, birch and spruce. The Province has recently placed a greater emphasis on activities directed towards renewing the forests. Goose Bay has one of three seedling nurseries used in the Province's forest regeneration program.

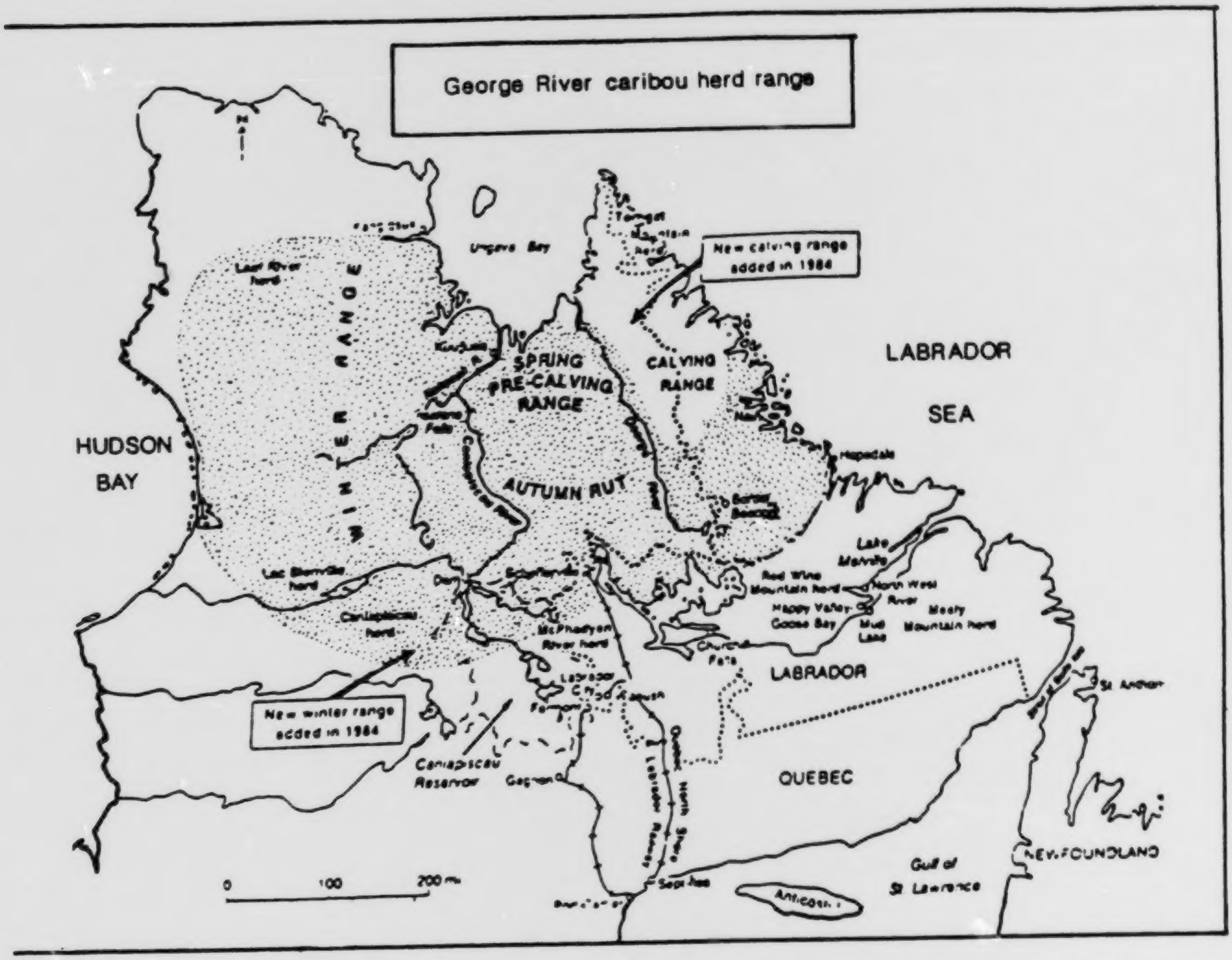
2.1.4 - Wildlife

A variety of wildlife is found in Labrador which offer residents and visitors opportunities for consumptive and non-consumptive activities. The forests are home to lynx, wolverine, beaver, muskrat, squirrels, otter and mink. Moose and bear are found in the central and southern regions of Labrador, however, given the small number of these animals, it is likely that their consumptive use to non-resident hunters will continue to be limited in the future.

There are four defined herds of Caribou, most of which roam the northern regions of Labrador. The George River caribou herd is the largest of the herds. Located in the northern region, this herd is one of the largest in the world with upwards of 600,000 animals. Most of these caribou winter in Quebec then migrate east to the highlands at the Quebec-Labrador boundary. The range of this herd is illustrated on Figure 2.1. Recent estimates put the caribou population of the Torngat Mountain herd between 5,000 and 10,000 animals and are considered to offer the most photographic opportunities in terms of scenery and the size of the animals. A small resident herd of caribou numbering approximately 2,000 also roam the Mealy Mountains to the south of Lake Melville.

The caribou migration patterns in Labrador seems to favour hunting (in terms of reliability and animal quality) out of Labrador West and Quebec, over those areas immediately accessed out of Happy Valley-Goose Bay.

There are over 90 species of birds found in the region as well. These include ptarmigan, grouse, owls, ducks, jay and ravens. The opportunity to view and photograph these animals


George River caribou herd range
Ungava Bay
Leaf River herd
WINTER RANGE
SPRING PRE-CALVING RANGE
CALVING RANGE
AUTUMN RUT
Torngat Mountain herd
New calving range added in 1984
LABRADOR SEA
HUDSON BAY
Hopedale
Lac Bienville herd
Caniapiscau herd
McPhadyen River herd
Labrador City
Fermont
New winter range added in 1984
Caniapiscau Reservoir
Gagnon
Lake Melville
Red Wine Mountain herd
North West River
Happy Valley-Goose Bay
Mud Lake
Mealy Mountain herd
Churchill Falls
LABRADOR
St. Anthony
QUEBEC
Quebec North Shore Labrador Railway
Sept-Iles
Anticosti
Gulf of St. Lawrence
NEWFOUNDLAND
0
100
200 mi

Source: Jackson L. ' World's Largest Caribou Herd Mired in Quebec-Labrador Boundary Despute in Canadian Geographic, Spring, 1985

CARIBOU RANGE

FIGURE 2.1

has just recently been capitalized on with the development of photography and "camera" tours. One such operation, Freedom Road Camera Tours, operates out of Happy Vally - Goose Bay and offers tours to Churchill Falls.

The rivers and lakes of Labrador are abundant in salmon, ouananiche, whitefish, brook trout, lake trout, northern pike and smelts, offering excellent sport fishing and angling opportunities. The isolation and limited access to Labrador to date has served to protect and conserve the abundant fish stock. As well, since the mid 1970's, there has been a freeze on further development of Labrador's coastal salmon rivers.

2.2 Hospitality Resources

Hospitality resources are fundamental to the tourism infrastructure. The following discussion identifies the major components of the hospitality resource base and summarizes the strengths and weaknesses which are of concern.

2.2.1 - Accommodations

There are three hotels which offer accommodation to visitors to the area, the Labrador Inn, the Royal Inn and the Aurora Hotel.

The Labrador Inn has 61 rooms, however current renovations will increase this inventory to 75 rooms. Rates at the Labrador Inn average $68/person/night. The Labrador Inn has a dining room which seats 80 and a new extension for a banquet room. When fully opened, the dining-banquet room will offer seating for 300. Discussions with the hotel manager revealed that the majority of guests at the property are salesmen, government officials and construction workers who are in the area for a limited stay.

The Royal Inn offers 17 recently renovated units. The hotel has five regular units, three efficiency units and seven housekeeping units priced at $55, $65 and $75 per person/night, respectively. There are also two V.I.P. suites which are $150 per night regardless of the number of guests. Occupancy rates for the Royal Inn stood at 31% in 1984 but had risen to 67% by 1987. During that year the peak season occupancy rate was 87%. Approximately 13%

of the guests at this property are from Canadian origins with 9% from the U.S. and 5% from other countries. The remaining guests (73%) were residents of the Province who were staying in the area for one reason or another.

A new hotel, the Aurora, has recently been built in Happy Valley-Goose Bay. The hotel offers 37 rooms and three suites with prices ranging from $78 single occupancy, $89 double occupancy and $125 for a suite. The new hotel also features a dining room and lounge, each seating 120 people and has full convention/meeting facilities. The new hotel is centrally located next to the Labrador Inn and is easily accessible from the airport.

Campsites are available in the area but are limited in number. There are 30 unserviced camper sites and unlimited tent camping space at Gosling Park along with five four-bunk cabins that can be rented.

Regionally, the accommodation supply is relatively limited. Approximately ten rooms are available at Lobstick Lodge and Motel in Churchill Falls. While there are presently no accommodation facilities available in Northwest River, the owner of an apartment facility has expressed an interest in developing hotel rooms in that community. Guest house or bed and breakfast type accommodation facilities offer visitors alternative places to stay. There are a few guest homes located in the region including Daisy Coles', Wes Mitchells, however, they are not widely publicized.

2.2.2 - Restaurants

There are ten restaurants and three taverns in Happy Valley-Goose Bay, ranging from take-out service to dining rooms. The menus at these restaurants vary. Ethnic cuisine including Chinese, Greek, Italian and Canadian are available. A listing of these restaurants follows:

Restaurant Name	Menu Type
El Greco's	Greek, Italian, Canadian - Licensed
Tricia Dee's	Steaks, Ribs - Licensed
Hong Kong Restaurant	Chinese, Canadian - Licensed
Labrador Inn	Canadian, Lounge
Royal Inn	Canadian
Mary Brown's	Take-out Chicken
Savory's Snacks (Dock)	Canadian
Midway Gardens	Canadian
Goose Bay Snack Bar	Take-out
Trapper's	B.B.Q. - Licensed
J.J.'S Lounge	Lounge
Maxwells II	Lounge
--	Lounge

The majority of these are small establishments which are informal in character, seating 50 people or less with just a couple having larger seating capacities. The price range at these restaurants is relatively moderate with none of them exceeding $50 for two people.

2.3 Heritage and Cultural Resources

Heritage and cultural resources are important resources to residents of an area and can become important elements of the tourism infrastructure. These resources can be artifacts, events and organizations which preserve local history for residents and can serve to recount this history to visitors. Cultural attractions can also include attractions which deal with modern day technology and lifestyle. The heritage and cultural resources of Central Labrador will be discussed in terms of attractions, special events/festivals and craft outlets.

2.3.1 - Attractions

As was discussed earlier, the study area has a rich and diverse history which includes the history of the native people, fur trading, early settlement and exploration. More recent history has seen the development of the airbase and hydro generation. The attractions which exist in the area, although relatively limited, reflect the community's evolution. They include:

- **Moravian Missions**
  Happy Valley - Goose Bay, Northwest River

  As early as 1752, German missionaries came to Labrador, building missions across the region. One of the oldest mission sites is north of the Lake Melville area in Hopedale. There are two missions in the Lake Melville area; one in Happy Valley - Goose Bay and one in Northwest River.

- **Grenfell Mission**
  Northwest River

  Dr. Wilfred Grenfell was responsible for the first hospital and medical mission serving Northern Newfoundland and Labrador. The first hospital was built in St. Anthony's in 1842, with one located in Northwest River a few years later.

- **Indian Burial Ground**
  Mud Lake

  Remains of an Indian Burial Ground can be seen in the woods just outside the community of Mud Lake.

- **Labrador Heritage and Culture Centre Museum**
  Goose Bay

  A collection of photographs, historic manuscripts, book collections and displays recount the history of Labrador, the land and its people. It is open daily from July through September.

- **Labrador Trapper's Tilt**
  Churchill Falls

  A replica of a traditional trapper's tilt, a rough shelter used in the wilderness by trappers. It is situated in the woods near Churchill Falls and can be seen year-round.

- **Hydro Power Station**
  Churchill Falls

  This is one of the largest hydro generating systems in the Western Hemisphere. The hydro site and complex can be toured throughout the year.

The development of each of the communities comprising the Lake Melville area is unique and has a different story to tell. Mud Lake is historically known for having the first full time hospital in the area. The community of Northwest River was founded as the first year-round trading post in 1743. Goose Bay is unique in that the development of the Air Base during WWII and subsequent development has opened the area to an international market and can be considered a unique attraction in itself. Churchill Falls, on the other hand is known for the hydro electricity it produces.

2.3.2 - Special Events/Festivals

Cultural resources include human resources such as special events. There are a number of special events and festivals hosted by community-based groups which are held in the region throughout the year. A listing is given below:

- Happy Valley - Goose Bay

- Armed Forces Day	- August
- Labrador Heritage Folk Festival	- July
- Partridge Berry Festival	- Thanksgiving
- Labrador Canoe Regatta	- August
- CFB Goose Bay Air Show	- Summer
- CFB Goose Bay Winter Carnival	- February/March
- Labrador Winter Games	-
- Heritage Cup Dog Team Races	-

- Regional

- Labour Day Fish Festival, (Lobstick Lodge)	-	September
- Northwest River Beach Festival	-	July
- Mud Lake Community Fair	-	July

The focus of these events is towards the local resident market and are very popular. The CFB Winter Carnival is North America's longest running winter carnival, now in its forty-seventh year. The newest event, the Northwest River Beach Festival brought approximately $5,000 to $6,000 back into the community in its second year during the summer of 1988. These events and festivals are generally not promoted or advertised outside the region.

2.3.3 - Craft Outlets

Craft outlets are important elements of the heritage and cultural resource base in the study area. The artwork and crafts that are available at local outlets provide another opportunity for people from outside the region to get a glimpse and take home an example of the lifestyle, heritage and traditions of the people of Labrador. The craft industry is also a major segment of the local economy. In 1987, it was estimated that craft sales in Labrador amounted to $1.8 million.

There are currently three (3) craft shops in the Lake Melville area. These relatively small operations include Labrador Handicrafts and the Downhome Craft Shop in Happy Valley-Goose Bay, and the Northwest River Craft Shop. These outlets are open year round with peak operating seasons being spring and summer.

As necessitated by the lifestyle and culture of native residents, specific arts and crafts developed. Traditional grasswork, knit work, moccasins, duffle parkas, sealskin tea-dolls, carvings and jewellery are available at these outlets.

Presently there are plans being made for the development of a new craft outlet. This outlet will be centrally located on Hamilton River Road across from the Labrador Inn and the new Aurora Inn. As the new home of Labrador Handicrafts, the new development will house a retail outlet, production centre as well as facilities for training in craft production.

There is no local craft organization specific to the Lake Melville area. However, the Labrador Craft Producers Association is a regional body organized to encourage and maintain craft production throughout Labrador. Current membership reaches about 240 members. The Association's major role is to aid craft producers in any way, whether it be through production, marketing or business management. The Association is funded through the Province's Rural Development Department.

There has been a Crafts Study recently completed for Labrador, however, the results have yet to be released. Discussions with outlet operators and the Craft Producers Association have revealed one significant issue. To date, there hasn't been any problem with marketing the crafts that are available. The problem lies in the actual production of crafts. It is getting increasingly difficult to hire experienced people who will work for the relatively low wage in craft production. Most people who have been involved in craft production are reliant on the higher wages received from unemployment insurance benefits or government pensions. This situation has led to the creation of government sponsored training programs to keep the art of making native crafts alive.

There are other retail outlets and services in the Lake Melville area which serve community needs. These outlets supply the communities with goods ranging from groceries and clothing to outfitting supplies and hardware. One of the sporting goods stores in Happy Valley has made an attempt to make their operation unique with displays of wild animals and a permanent display of World War II memorabilia.

2.4 Recreation Resources

Recreation resources are typically viewed as amenities provided for residents of a community. They can also become important elements of the tourism infrastructure as they can provide alternative activities for visitors. Various organizations and facilities can often sponsor special events and tournaments that can attract the wider market.

The Lake Melville area is not lacking in recreational facilities and organizations. The Melville Recreation Centre offers various programs and activities to the residents of Happy Valley-Goose Bay. Other facilities and programs offered throughout the area include eight ball parks, a curling rink, bowling alley, canoeing, golf, downhill and cross-country skiing, horseback riding, tennis, figure skating and hiking. The military base at Goose Bay also provides an arena and other recreational activities to those who live on and off the base.

Snow Goose Mountain and Gosling Park are located about 8 km from Goose Bay. These two facilities provide the residents of Happy Valley-Goose Bay, Northwest River and Mud Lake unique recreational opportunities. Snow Goose Mountain offers local skiers five ski runs during the extended winter season, with the longest run having a vertical elevation of 162 metres (531 feet). The area is classified as being novice (30%), intermediate (60%) and expert (10%). Other facilities include a main lodge, cafeteria, washrooms and rentals. Although the

Snow Goose Mountain Ski Club has been in operation for about 20 years, it only recently has adopted a long term development plan. The plan outlines the major investments that will be required over the next three years. These include improvements in the areas of staffing, trail widening, lighting, lift improvements and increasing rental equipment. Total capital costs for these improvements have been estimated to be some $881,000 over the next three years.

Gosling Park was initiated by the Lake Melville Tourism Association. The park is available for cross-country skiing, ice-fishing and skating during the winter season. There are five cabins available for rent throughout the year. Fishing season is open from mid January to mid September. Gosling Lake has not only trout, but also smelt and northern pike. There is unlimited camping available for tents and 30 unserviced camper sites are available, complete with picnic tables and barbecues throughout the park. The Lake, with its man-made beach, offers an excellent swimming location. Boating is also allowed at the park. There are five two-man dories available for rent and surf sails, small sail boats, canoes and kayaks may become available. Gosling Park is the site of the annual Labrador Canoe Regatta held on the first weekend of August each year. Current plans for improvement to the park include the construction of an access road parallel to the beach, additional parking space, a playground, a beach change house, trails and cabins. The estimated cost of expansion has been set at approximately $470,000.

The Birch Brook Nordic Ski Club is located on the Northwest River Road, 15 kilometres from Happy Valley-Goose Bay. The present facilities include a log lodge, a small machine garage, a sauna and lavatory house. The trail system consists of 30 kilometres of groomed trails ranging in difficulty from beginner to advanced racer. In addition, there is unlimited open wooded country suitable for back touring and telemarking. Present membership of this ski club is approximately 100 members with 75 students involved in the school racing program.

Several organizations operate out of Happy Valley-Goose Bay that sponsor special events and competitions. Organizations such as the Labrador Canoe Regatta Association, the Lions Club the Lake Melville Senior and Minor Hockey Association and the Ladies Broomball League continue to provide residents programs and services for recreation activities.

In addition to Gosling Park locally, Grand Lake has been designated as a Provincial Park area and survey work in association with its development has been completed. At the present time the park is in an undeveloped state with the Town of Northwest River involved in the implementation of the project.

2.5 Transportation

One of the key elements which will play an important role in the development of the tourism industry in Central Labrador will be accessibility. Presently, Labrador may be reached regularly by scheduled air and ferry services.

2.5.1 - Air Service

Recent deregulation policies have allowed for more flights via connector services to Labrador and presently air service to the study area is quite good. Canadian Airlines has direct flights during the summer months from Montreal, special "Fisherman's Flights" and regular flights from St. John's, Deer Lake, Stephenville and Halifax. Air Nova has scheduled jet service to Happy Valley - Goose Bay through daily connector flights with Air Canada from Halifax, St. John's, Fredericton, Cornerbrook, Ottawa, Toronto and Boston. Air Nova now schedules two new flights of 37 seats each from Wabush and Deer Lake. This airline does not presently do any packaging with those using the services for hunting and fishing trips booking flights directly through wholesalers both in Canada and the U.S. The airline has, however, shown interest in becoming more involved in the packaging of the outfitting product.

First Air has scheduled connector flights to Goose Bay from major North American and Arctic points via Air Canada flights into Ottawa. These flights are advertised, for the most part, by word of mouth and through ads in trade magazines. Within the province, Labrador Airways provides scheduled service from Goose Bay to Nain to the north and to St. Anthony and Charlottetown to the south on Monday, Wednesday and Friday. Three twin otters are used for this service with four or five float planes used for charter services out of Otter Creek for outfitters. Labrador Airways does not use any promotional material as the outfitters do their own packaging. With approximately 90 people on staff, Labrador Airways will also run half-hour sightseeing flights and tours. There has been interest shown recently on the part of this company for the conversion of a twin-otter with a bubble window for air observation and possible tours.

Canadian Helicopters and Universal Helicopters also provide air service for the Lake Melville area. They provide air transport services and are used for charter tours and have become increasingly more predominant in transporting those who are visiting outfitting camps in the more inaccessible regions of Labrador.

2.5.2 - Ferry Service

Contracted through Transport Canada, Marine Atlantic provides auto and passenger ferry services. The auto ferry service runs direct from Lewisporte, Newfoundland to Goose Bay from mid-June to early September. Rates for the one-way 32-hour passage between Lewisporte and Goose Bay range from $80 for an automobile, $57.25 for adults, $28.60 for children, $43.00 for seniors and children under five years ride free. This ferry service can accommodate motorcoach tours, however, none have used the ferry because of the length of travel time involved.

The current mandate of Marine Atlantic is to operate the coastal passenger operation as a transportation link for residents of the province. The passenger ferry runs from mid June to early November stopping at over 20 ports along the north coast and services are subject to ice conditions. Over the past five years, Marine Atlantic has been servicing approximately 4,500 to 4,800 passengers annually (disembarkation statistics). Tourists are not "a priority" for Marine Atlantic and reservations for the ferry cannot be made from outside of the province.

2.5.3 - Road Access

Route 520 is a paved road providing access between Goose Bay and Northwest River. The road from Esker to Goose Bay, via Churchill Falls is a forest access road. Presently, this is a gravel road and its condition is determined by weather conditions. As such, the road is unsuitable for any motorcoach travel and is closed due to snow and ice during the winter season. Upgrading of this road between Goose Bay and Churchill Falls is expected to be completed by 1990 and from Churchill Falls to Wabush-Labrador City by 1991-92. There are no road services available along this route with the exception of Lobstick Lodge.

Over the time frame of this study, ie. ten years, it is not anticipated that a road will be built to connect the coast with the Lake Melville area, although this has been proposed in the past.

2.6 The Military

Since its development in 1942, CFB Goose Bay has continued to play an important role in the development of Central Labrador. As World War II escalated, the base became a landing field and refuelling stop for the North Atlantic route. By the end of the war, nearly 24,000 aircraft had passed through Goose Bay on route to Europe. As the base developed, both military personnel and civilians from around Canada and Europe came to work and live in the area. After the War, the base became an alternate airfield for the trans-Atlantic air service and a major base for the United States Strategic Air Force long-range bombers. Pilots now come to train in low level flying exercises at Goose Bay from Germany, Britain, Italy and the Netherlands for two to three weeks from mid-April to mid-October. On average, there are about 7,000 transients coming to Goose Bay each year with about 50 to 60 training sorties (flights) per day over the seven month period. Permanent residents at the base total some 1,100 Canadian and foreign military personnel as well as civilian employees of the Department of National Defence.

With the exception of the annual air show, which attracts a predominantly regional audience, the military base is not involved with any active tourism initiatives. The potential for tourism initiatives at the base, however, is significant. Discussions with the Base Commander revealed positive feedback concerning the development of scheduled tours, interpretive facilities and written literature of the base in an attempt to attract tourists to the area and allow those who are visiting the area to extend their stay.

A lengthy number of discussions have been carried out concerning the establishment of a NATO Tactical Fighter and Weapons Training Centre for member countries at Goose Bay. The NATO development has several implications. It is expected that if the NATO centre is developed, a total of about 1,500 new permanent positions will be created. Given that new employees have families, it is estimated that the number of permanent residents at the base could reach some 6,000 by 1994. The arrival of pilots from NATO countries will increase the number of transients coming into the base to approximately 20,000 over the seven month training period. The number of people who presently come through Goose Bay and the military base itself allow the military to potentially be a product as well as a market which can be targeted.

It should also be noted that there are plans underway to separate the existing transient airport facility from military operations.

2.7 Outfitting

2.7.1 - Overview of the Sector

The following overview of the Outfitting sector is based on information that was most readily available. It should be noted, however, that there is a limited data base to draw upon, and the data that is available is often conflicting.

As the oldest segment of the Province's tourism industry, the $3 million outfitting industry continues to offer many opportunities. A government discussion paper on commercial hunting and fishing camps in Newfoundland and Labrador maintains that these opportunities must be offered, keeping a balance between meeting the demand for wildlife resources and maintaining the economic viability of the industry.

There are approximately 87 outfitters in the Province, with approximately 25% of these located in Labrador. There are currently twenty-two (22) hunting, fishing and adventure expedition outfitters operating out of Labrador employing approximately 300 to 500 persons annually on a seasonal basis.[1]

A large number of Labrador outfitters (50%) operate out of the Lake Melville area where access to air services is available. Additionally, we are seeing operators utilize scheduled air service to the coast, e.g., Cartwright, to reduce the congestion problem presently occurring at times in Happy Valley-Goose Bay.

For the most part, caribou are the most popular animals people seek while at a hunting camp, although there is a proposal in place to introduce a limited amount of non-resident moose hunting south of Happy Valley. For the fishing camps, the most lucrative product seems to be the Atlantic salmon, followed by the large Labrador lake and brook trout.

A 1986 thesis paper concerning the tourism industry in Labrador[2] highlights several characteristics of the outfitting industry:

- The camps are scattered throughout Labrador, offering accommodation for a total of approximately 312 people. Other sources put the total lower at some 240 beds.[3]
- Camps are usually open for 6 to 14 weeks (11.4 average) from June to mid-September.

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[1] *This translates into approximately 1.5% of the population of Labrador being directly employed by the outfitting industry. The percentage of benefit from the outfitting industry is larger, however, due to employment in the realated sectors i.e., accommodations, transportation industry, retail sales, etc.*

[2] *Hall, C., Strategies for Improving the Return in the Tourism Industry in Labrador, 1986*. Data used for this M.B.A. thesis obtained from Department of Development tourism publications, provincial summaries and outfitter questionnaires.

[3] *Department of Tourism and Development Records.*

- The 1986 occupancy rates for the operators that were surveyed ranged from 28% to 80% with an average of 60%.[4]

- An average of 72% of their guests were from the U.S. (predominantly from the New England, mid-Atlantic and Northeast Central states), 22% were Canadians and the remaining 6% from overseas.

Utilizing the above information and applying it to the existing outfitting product in Labrador (shown in Table 2.F) indicates the following:

- The 22 outfitters in Labrador offer opportunities to fish (90%), hunt (18%) or participate in wilderness adventure (13%).

- The Central Labrador area, defined as those outfitters who are accessed out of Happy Valley-Goose Bay, number eleven (one of these outfitters operating in the Churchill Falls area) and have a total capacity of 192 beds. The central area is characterized as having a lower proportion of hunting camps (primarily operating out of Churchill Falls and north of Nain) and a higher proportion of wilderness adventure products (located out of Voisey Bay, Happy Valley-Goose Bay and Northwest River) than is found in the western portions of the region. The vast bulk of outfitters are devoted to the fishing product, with a minimum of eight offering fishing packages.

- The Central Labrador outfitting product is primarily high-end in nature, ie. those which offer higher quality accommodations, dining facilties, etc.

- Records indicate that in 1988, camps operating out of the Lake Melville area generated a minimum of $1.39 million and a total of 789 hunters and/or fishermen came into the area. The Labrador West area has a much lower bed capacity but a total of 2,571 sportsmen were recorded in the area. Expenditures were, however, much lower at $306,500. These records, however, cannot be viewed as being accurate due to inconsistent reporting by camps. It does, however, establish a range as to the size of the current market. This level of visitation is consistent with data generated by Air Exit Surveys, this discussed later in the market analysis section of the report.

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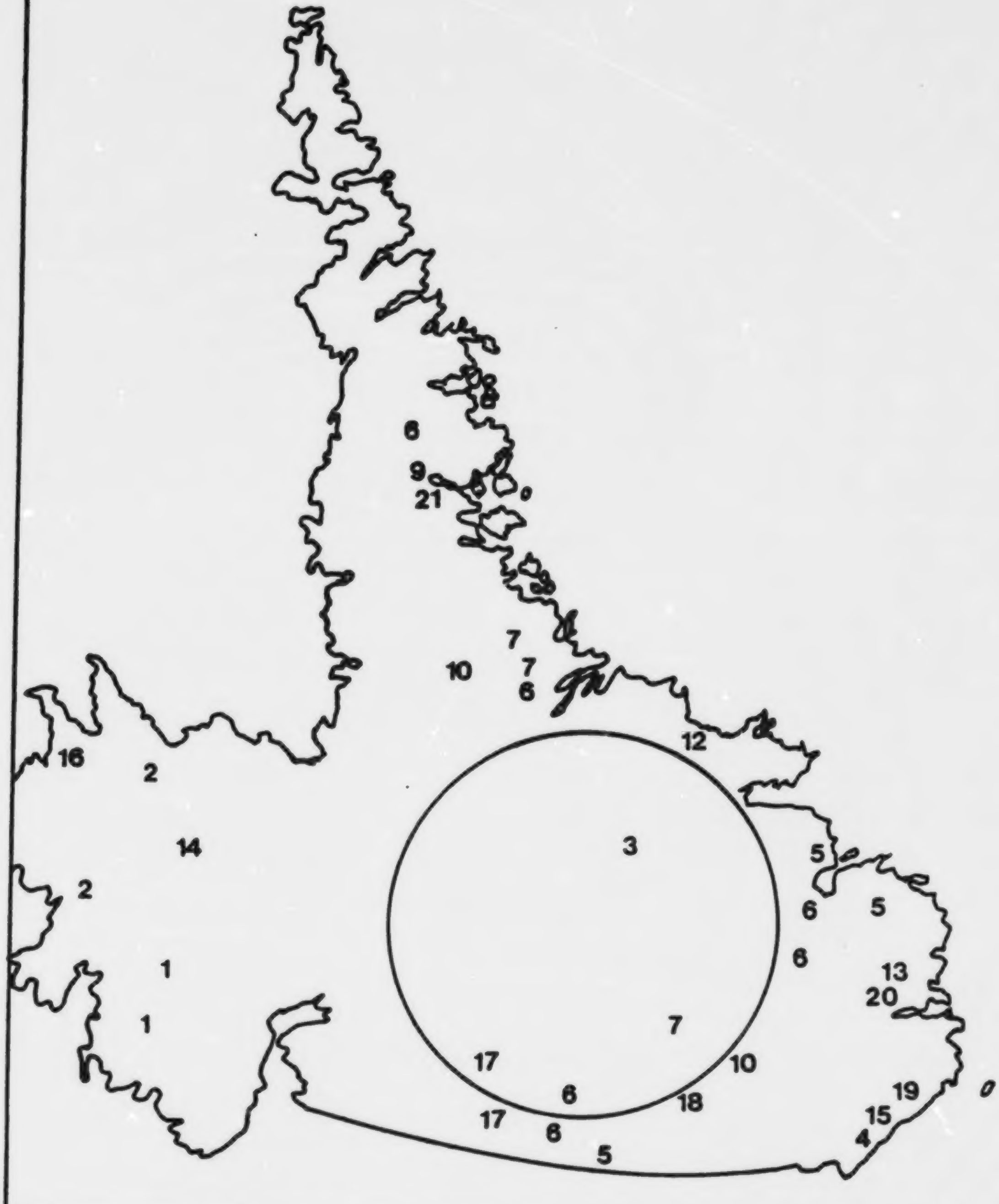
[4] *This figure would appear to be significantly over-inflated based upon our subsequent analysis.*

TABLE 2.1
OUTFITTERS OPERATING OUT OF LABRADOR

Name of Operation	Camp Location and Accommodation Capacities (Persons)
1. Ashuanipi Hunting and Fishing Camps Ltd. Camps Ltd.	Dyke Lake (8), Albert Lake (8), Kepimets Lake (8), Milner Lake (8)
2. Atikonak Hunting and Fishing (1984) Ltd.	Atikonak Lake, 2 camps with (4) and (6)
3. Double Mer Fish Camps Ltd.	Double Mer Lake (6)
4. Forteau Salmon Lodge	Forteau River (12)
5. Gander Aviation Ltd.	Michaels River (12), Sandhill River (8), Wulff Lake (6)
6. Goose Bay Outfitters Ltd.	Adlatok River (4), Lower Eagle River (12), Eagle River (8), Little Minipi River (6), Umiakovik Lake (6).
7. Hunt River Salmon Camp	Hunt River (8), Park Lake (8), Clyho Lake (6).
8. Inuilak Labrador	12 day canoe trip (6)
9. Labrador Inuit Development Corporation	Voisey Bay (10)
10. Labrador Sports Fish Ltd.	Igloo Lake (10), Upper Eagle River (6), Upper Flowers River (8)
11. Labrador Wilderness Expeditions	N/A
12. Lakeland Lodge	Big River (14)
13. Lewisporte Wholesalers Ltd.	N/A
14. Lobstick Lodge and Motel	Lobstick Lake (20)
15. Lucky Strike Lodge	Pinware River (14)
16. Menihek Camps	Ashuanipi River (12)
17. Minipi Camps	Anne Marie Lake (8), Minonipi Lodge (8), Minipi Lake (14).
18. Newfoundland & Labrador Hunting & Fishing Ltd.	Osprey Lake (12)
19. Pinware River Lodge	Pinware River (8)
20. Powell's Outfitting	Gilbert River (10)
21. Tasiujatsoak Wilderness Camp	Voisey Bay (8)
22. Torngat Labrador Outfitters Inc.	N/A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Key for numbers
shown in this figure
are given in Table 2.1

OUTFITTING INDUSTR

FIGURE 2.2

Utilizing this estimate would put the occupancy levels at regional camps at an average of 46%, indicating promotion is needed over product development in the shorter term.

There are proposals to introduce new camps in the Eagle River area and at the Smallwood Reservoir at Churchill Falls as well as to expand existing camps in the area.

Typically fishing and hunting in Labrador is done on a pre-arranged basis on a package in the Lake Melville area, while the road-accessible Labrador West area is more prone to drive-in hunts and fishing trips.

Depending on the individual operator, services such as one week's accommodation, food, guides and cold storage are provided. The cost of these types of outings at camps range from approximately $700 to $2,500 for a one-week package including airfare. Goose Bay's product typically ranges in the $1,700 + range.

Many outfitters enforce restrictions that may vary from the provincial regulations in an attempt to protect the wildlife resources:

- Non-residents require a license to fish in any inland waters and must employ a guide on a daily basis to provide access to more remote stretches of rivers. Fishing is only permitted between one hour before sunrise and one hour after sunset. Residents as well as non-residents require a salmon license to fish in scheduled salmon rivers. These rivers can be fished but are closed subject to changes in abundance of fish stock, water conditions and water temperatures. The scheduled rivers in Labrador include the Forteau, Pinware, Gilbert, Double Mer, Michaels, Hunt, Sandhill, Adlatok and Eagle Rivers.

- Hunting is open to residents and non-residents who obtain and carry a valid hunting license and/or permit. In addition, non-resident hunters must show proof of having completed a Hunter Safety Training Program or of previously having a big game license. Non-resident hunters also require guides if hunting big game, but not for small game or waterfowl.

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Generally there is a concern that the quality of fish taken from trophy waters e.g., Minipi Lake and Eagle River, etc. will decline as the area becomes more accessible due to road development, ie. to Baie Comeau, and more independent fly-in traffic, e.g., the military, independent fishermen. In an attempt to secure long term quality of the resource, outfitters in the province want to see a strong protection policy put in place.

2.7.2 - Summary of Issues Relating to the Outfitting Product

A particular focus of this study was to isolate those issues affecting the outfitting industry, this to assist in formulating an outfitting strategy for the area. The following is a summary of key issues, emerging from discussions with a representative cross-section of outfitters serviced out of the Happy Valley-Goose Bay area[5]:

The outfitting product offered in the study area is generally of a high quality.

- Our sampling of outfitters confirmed the volumes indicated in the market analysis section of the report. It is estimated, from our conversations, that at minimum 900 fishermen and 100 hunters come into the area and use outfitters serviced out of Happy Valley-Goose Bay.

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[5] *See Appendix for contact list*

- The majority of clients are from the northeastern U.S., with some visitation (15%) by Canadians from Ontario, Quebec and Nova Scotia and limited use by European clients.

- In general, the marketing undertaken by outfitters is fairly advanced, with most advertising in select trade/consumer publications in the United States complemented by the distribution of brochures.

- Generally outfitters are optimistic about the future growth in the market for fishing, adventure and hunting activities. Specifically the U.S. and European markets were seen as having high potential.

Outfitters are concerned about the non-regulated use of Labrador's resources by non-residents of the Province.

- At the present time, residents of other provinces and military personnel from outside Canada are allowed to hunt and fish in Labrador (with the exception of some scheduled salmon rivers on the coast), with the only regulation being that they obtain a license.

- Outfitters would like to see a regulation put in place and enforced that stipulates that all non-residents, including the military, must go through a licensed Labrador Outfitter before embarking on hunting, fishing or adventure activities in Labrador.

- The industry stresses that the continued, non-regulated use of Labrador's resources by non-residents and the military is destroying the resource base of the area, and this ultimately will affect the livelihood of the outfitters themselves. At the present time most outfitters enforce or even place more stringent limits on the bag limit of their guests. The concern is that non-regulated use of the resource is resulting in large numbers of fish and caribou being taken out by, for example, the military with no enforcement by appropriate agencies.

- Concerns were voiced that the Province is assuming a high cost when it must undertake rescue activities because trips are organized without the use of local outfitters.

- Outfitters are witnessing a higher level of trespassing of their camps in the off-season.

- The outfitting sector would like to see the same restrictions on non-resident activity applied and enforced with respect to the military. This is seen as a key concern, especially in light of the potential NATO Training Centre development which is expected to exacerbate the perceived problem.

- With the continued improvement in road access into Labrador it is expected that the issue of non-resident use of resources will escalate, especially in those camps located "closer" to the road.

- A key point in this discussion was that there is no net economic benefit to the local economy from individuals who do not use outfitters.

The outfitting sector wants to see immediate action to protect its natural resources

- A discussion paper on Commercial Hunting and Fishing Camps in the Province (Green Paper) was prepared approximately three years ago. To date, from the perspective of the industry, there have been no further efforts to correct the perceived inadequacies of the legislation and to deal with the concerns of the industry.

- Industry representatives stated that before more expansion and development within the industry occurs, the existing problems need to be settled.

- Because the outfitting sector "straddles" a large number of government departments, intradepartmental communications and policies are perceived to be "bogging down" the process.

- Some outfitters are concerned with the length of time their various applications take to be approved.

- Generally outfitters feel that the bag limits on certain fish, in particular the Brook Trout, should be reduced.

- Outfitters are adamant that the enforcement of hunting and fishing regulations by authorities is not adequate and must be increased in the future.

The outfitting industry is evolving organizationally.

- At the present time the majority of the full-time outfitters in Labrador are members of the Labrador Outfitters Association (L.O.A.). The difficulties associated with access and promotion of the high quality product in Labrador required specific approaches to deal with these issues. As such, the L.O.A. broke away from the Newfoundland organization to better meet the needs of Labrador operators. Part-time outfitters typically have not joined and there are a few larger operations which have declined to join the membership, which now stands at ten to twelve outfitters.

- The key individuals in the organization have hired a lawyer to represent their concerns as a group thereby increasing their lobbying power within the province. Despite this, some outfitters feel the organization does not have "enough clout" to get anything done.

- The organization is considering hiring a marketing manager, perhaps located out of the United States, who would represent the Association at trade shows, assist in making bookings, etc. This arrangement was seen to be more beneficial than working with a specialty wholesaler; as these organizations typically cannot equally represent all cooperating members, favouring instead a select few.

- The organization, although planning to focus on U.S. markets, is expected to explore European markets over the longer term.

- The association is in the process of planning a brochure which illustrates the range of opportunities available in Labrador (profiling those who belong to the Association only).

- The Association would like to see stronger representation in their organization by adventure outfitters.

- At the present time no true formal cooperative advertising activities have been initiated, although there are plans and interests to do so in the future by both the outfitters and airline carriers. To this point individual operators have established informal relationships with carriers to offer complete packages to their clients.

- Neither the Labrador Association nor the Newfoundland Outfitters Association are members of Hospitality Newfoundland. There is a perception on the part of the outfitters that their industry is not viewed as an integral or valuable portion of the province's hospitality sector.

- The L.O.A. indicated an interest in being represented on any Labrador-wide tourism organization which is put in place.

- In general, outfitters feel that the government should be working closer with the organization, this in the area of marketing and (enforcement of) regulations.

The outfitting industry is moving in new directions

- Some outfitters have indicated an interest in diversifying their operations in terms of both seasonality and activity (e.g., adventure and canoe trips).

- The policy of not allowing satellite camps is perceived as a limiting factor in expanding these markets.

- There is a trend toward the rationalization of the industry, with people from "outside" buying out existing operations and the amalgamation of operations into larger corporations. This is perceived to be partially related to an inability of outfitters to secure financing for upgrading.

- Outfitters are beginning to explore new markets, some beginning to successfully access European markets in addition to the more traditional U.S. clientele.

- It is anticipated that, as demand increases, there will be a need to open up new areas to outfitting rather than over-intensification of use of existing lakes and rivers.

The outfitting industry has other concerns.

- The outfitters see a need for more security by being able to obtain larger term leases for their properties. This would protect their investment, allow access to bank financing and encourage improvement to properties/camps now in place.

- The industry stated that it is always difficult to find good staff even though the Province offers a guide training program. Each outfitter has his own technique for increasing the training level of staff. Generally it was agreed that the Provincial program should be maintained.

- Some outfitters indicated that it would be beneficial to see a higher degree of competition to the present 'Lab Air' service, this to reduce costs and to increase flexibility. At the present time charter costs are seen as being high and baggage limits are too low.

- The land claims process, now underway, is expected to affect the outfitting industry.

2.8 Organizations and Associations

There are several organizations presently operating out of Central Labrador which have some involvement in the tourism industry. Their involvement varies and, in some instances, their mandates/membership overlap. The following is a brief description of these organizations and their current involvement in the development and promotion of tourism.

Happy Valley-Goose Bay Town Council

The Town Council of Happy Valley-Goose Bay has made a $20,000 commitment to tourism development. Other initiatives include $50,000 per year over five years for the development of the Snow Goose Mountain/Gosling Park recreation area and a $60,000 to undertake a beautification program for the community.

There is also a "Joint Council" which represents the communities in the wider regional area of Lake Melville.

Labrador North Chamber of Commerce

In its 27th year, the Chamber of Commerce has, as its mandate, to help build the economy and facilitate business and contact among members. The chamber's only involvement with tourism is the gathering and dissemination of information to tourists as needed.

Labrador Inuit Association

This Association of the Inuit population of Labrador has a membership of about 4,000 people. The role of the Association is to maintain and promote the Inuit culture and language. Their interest is to have this native group totally involved with all social, economic and cultural aspects of the area. Their involvement with the development of tourism will be greatly influenced by the decision made concerning their aboriginal land claims in the Torngat Mountain area of Labrador. The Association has expressed an interest in developing sightseeing, climbing, cross-country skiing opportunities.

Labrador Inuit Development Corporation

This is the commercial development arm of the Labrador Inuit Association. They have been involved with several major commercialization projects.

The L.I.D.C. was the first group in North America to commercially harvest caribou. They are involved with the commercial development of semi-precious stones, ie. Labradorite, and in a partnership with National Sea Products, the commercial development/harvest of offshore shrimp. The L.I.D.C. also owns and operates a hunting and fishing camp at Voisey Bay.

Labrador Metis Association

This Association represents the Metis population of Labrador with current membership reaching 700 members. Some members are already involved with tourism by means of outfitting services and air services. The CAIN Corporation is operated as the economic development arm of the Metis Association.

Naskapi Montagnais Innu Association

This association represents the ideas and concerns of this native people whose population reaches approximately 9,000 to date. They have recently been responsible for presenting land claims in northern Labrador to government.

Mokami Regional Development Association

The only regional body in the area, the M.R.D.A. has been established as one of a system of development associations to create and promote development. Operating on a $30,000/year grant, the nine member elected board oversee economic development initiatives, including those relating to tourism. The M.R.D.A. currently operates the Tourism Chalet in Happy Valley-Goose Bay, and has been involved in assisting/funding the Birch Brook Nordic Ski Club, Snow Goose Mountain. As owners of Gosling Park, proposals have been submitted with $50,000 being committed to the development of the park.

Mokami Project Group

The Mokami Project Group acts as a catalyst for development in the Lake Melville area. The eight person board has representation from Town Council, the Chamber of Commerce, the Public Service Alliance and the M.R.D.A. The Mokami Project Group have been involved with such projects as the Greenhouse Project and the development of walking trails.

Labrador Craft Producers Association

The mandate of this Association is to bring together, recognize and support craft producers for the preservation, development, promotion and marketing of high quality traditional and contemporary Labrador crafts. Incorporated in 1979, current membership is some 240 members. The Craft Producers Association has been responsible for co-ordinating workshops on production as well as business management with funding from the Rural Development Department.

Lake Melville Tourist Association

The Lake Melville Tourist Association was set up to guide and encourage tourism in this area. It was responsible for initiating the tourist chalet in Happy Valley. However, this association is now defunct, due for the most part because of a perceived lack of participation.

Labrador Central Tourism Corporation

The development of this new corporation is an attempt to provide a focus for tourism in Central Labrador. Membership in this still-evolving organization is expected to include industry people from the communities of Happy Valley-Goose Bay, Northwest River, Mud Lake and Churchill Falls and will have a more regional focus than was the case for the Lake Melville Tourist Association. One of the mandates of this study is to suggest a framework for this organization which will carry out plans for tourism development in the area.

Labrador Outfitters Association

The Labrador Outfitters Association is a small regional organization responsible for addressing issues and concerns about the outfitting industry in Labrador, i.e., costs, protection of investment and competition. This association resulted wnen outfitters "broke away" from the larger provincial body as they felt their needs were not being met by the larger organization. Recent initiatives include the development of a Labrador Outfitters Association brochure and the continued development of new marketing and promotion in the outfitting sector.

2.9 Marketing

At the present time the most substantial marketing efforts in the area are being undertaken by the outfitting sector. Each outfitter has his own marketing approach, typically producing a brochure (the quality ranges from outfitter to outfitter) and attending appropriate trade and consumer shows. In some cases, outfitters have ventured into more sophisticated marketing including working with specialized media contacts and packaging their product with specialty wholesalers. Additionally the Labrador Outfitters Association is considering the hiring of a U.S. based marketing representative for its membership to facilitate cooperative attendance at trade shows and to encourage bookings from the U.S. market.

Central Labrador, outside of these efforts, is realistically only marketed by way of the Department of Development and Tourism as part of their provincial marketing strategy. Labrador is sometimes included in the Province's promotions and a separate map and lure brochure have been established for the region.
Locally there have been some efforts to produce maps and informational pamphlets, however these efforts have been relatively limited to date .

2.10 Summary of Resource Strengths and Weaknesses

The preceding has represented an overview of the existing situation in the study area. The following Table 2.2 isolates those items that are viewed as the area's main strengths to be capitalized upon as well as the major weaknesses which must be considered as part of the planning process.

TABLE 2.2 - SUMMARY OF RESOURCE STRENGTHS AND WEAKNESSES

RESOURCE SECTOR	STRENGTHS	WEAKNESSES
Community Development	. Relatively buoyant economy exists in study area. . Development of a NATO Training Centre will increase the local population of Happy Valley-Goose Bay significantly. . Area functions as administration and business centre for the coastal region.	. Small local population to support the development of any attractions, etc. . Community of Happy Valley-Goose Bay is "spread out" with no downtown area. . Indications from the hospitality sector are that there is a major problem obtaining suitable staff due to the high wages paid by the base and an "unemployment insurance syndrome" in the area.
Natural Resources	. Varied terrain. . Scenic Mealy Mountains . Residents perceive the winter to be "best" season. . Reliable snowfall for winter activities. . Variety of wildlife in area including caribou, lynx, wolverine, birds. . Variety and quality of fish resources. . Area is well recognized as focus for fishing in Labrador.	. Most spectacular landscapes are located outside of Lake Melville area i.e., Torngats and Coast. . Climate is perceived as harsh by outsiders. . Short summer season. . Hunting resources i.e., caribou, are unreliable and lower in quality when compared to that of Labrador West area due to migration patterns/timing.

Hospitality Services	. Area offers three hotels with a combined total of over 130 rooms. . Hotels are either new or have/are undergoing renovation and upgrading. . Convention facilities are available at local hotels and college. . Occupancy increases at hotels indicates a growing tourism flow into the area. . Variety of restaurants and lounges in the area.	. Limited camping facilities. . Limited accommodations base outside of Happy Valley Goose Bay. . No bed and breakfasts. . No lodge or resort facilities catering to extended stay. . Convention facilities are generally capable of handling smaller meetings. . Limited availability of specialty "Labrador" cuisine.
Heritage and Cultural Resources	. Area has rich history including the native peoples, fur trading, missionaries, exploration and modern-day military and hydro electric developments. . Variety of special events held throughout the year. . Variety of craft shops exist in area and plans for a new craft centre are being developed. . Existing Labrador Craft Producers Association in place to promote the continuance of this industry.	. Limited ability for tourists to experience this history. Only attractions include burial grounds, mission buildings, small local museum. . Events are generally local in interest and not publicized outside the area. . Crafts industry has problem "keeping up with demand" due to lack of manpower.
Recreation Resources	. Area offers a wide variety of recreation resources, both indoor and outdoor and in all seasons. . Gosling Park and Snow Goose Mountain are significant local recreation resources. . Undertaking long term development plan for Gosling Park. . Provincial Park at Grand Lake.	. Scale of these facilities will have some appeal to the regional market, military market, but will not not appeal to out-of-province markets.

Transportation	. Area has good air transportation service, operating out of hubs in St. John's and Halifax. . Area is accessible by Ferry from mid June to early September. . Road access between Labrador West and Happy Valley-Goose Bay will be complete by 1991/92.	. Ferry service is long and not of high quality/comfort. . Ferry is not viewed as tourist operation. . No road linkage between study area and coast is planned over timeframe of this study. . Road quality between Labrador West and study area is not guaranteed to be suitable for motor coach travel. . No road services are presently available along the route from Labrador West to the study area.
Military	. Military represents a market of 7,000 transient pilots and 1,100 permanent residents. . Growth in both transient and permanent residents is expected with the installation of a NATO Training Centre. . Presence of base has given study area wide publicity. . Potential interest on the part of the military to work with tourism interests to utilize the base and the military theme as more of an attraction.	. Concern has been expressed that low level flying detrac from the experiences sought by the adventurer or fisherman. . Outfitters are concerned about the non-regulated use of wilderness resources by the military.

Outfitting	. Existing and developed outfitting industry in Labrador. . Central Labrador is the focus for fishing in the region given its proximity to these resources. . High quality fish resources in area. . High quality outfitting product in area. . Existing Outfitters Association. . Attempting to put in place a policy to protect key trophy rivers. . Proposals are in place to develop new/expand existing camps in area. . Outfitting sector is becoming more sophisticated in its marketing activities.	. Labrador West has more reliable and therefore more significant hunting product. . Problems with staggering of fishermen in/out of staging area i.e., Happy Valley-Goose Bay. . Difficult for organizations to work together due to their differences in home location, small size of organizations and perceived competition. . Problem with "walk-in" use of rivers, which will increase with improved road access and military use of area. . Land claims process may limit further expansion of outfitting industry in future. . Outfitting industry is concerned about the non-regulated use of natural resources by non-residents.
Organizations	. Wide variety of organizations are in place which have some relationship to tourism sector. . Newly developed Tourism Corporation is in place.	. Given small population base, it appears there may be too many organizations in place. At minimum, the role of and relationships between organizations is in need of clarification. . Tourism Corporation is experiencing difficulty recruiting private sector membership.

3.0 MARKET ANALYSIS

The purpose of this chapter is twofold: to assess the level and type of visitation Central Labrador currently attracts and to identify opportunities that would increase this visitation both within existing markets and new travel segments. In order to determine tourist market potential and develop opportunities for Central Labrador, the market analysis will examine existing visitation, potential visitation, trends, specialty markets and finally the implications for tourism in Central Labrador.

3.1 Existing Visitation

In order to establish the context for tourism in Central Labrador and determine tourist market potential for the region, this initial section will examine the existing tourist market. Travel volumes as well as market characteristics are presented as they relate to the Province as a whole, to Labrador and, more specifically, to the Lake Melville area. This overview will provide an understanding of the market factors which may influence future visitation to Central Labrador.

3.1.1 - Provincial Travel

As an introduction to the Provincial Travel market, a review of past historical trends is provided:

Provincial Travel Trends

- Resident travel within Newfoundland decreased by 23.1% between 1980 and 1984, however, travel increased by 3.4% between 1984 and 1986.
- Total non-resident travel has been on the increase since 1983 with a 24.2% rise from 1983 to 1986. Preliminary estimates for 1987 indicate non-resident travel was up 8.0% from 1986.

- Non-resident air travel has grown at a faster rate than auto travel with an increase of 23.7% between 1984 and 1987 (preliminary estimates) versus a 13.2% increase for car travellers.

- In 1987, air travel from Toronto to Newfoundland increased by 12.5% over 1984, with a 50.5% rise in visitation from other Ontario locations, a 19.2% increase from Nova Scotia, a 52.9% increase from New Brunswick and a 77.2% increase from New England. The only market area demonstrating a decrease in visitation was Quebec (11.1%).

- Between 1984 and 1987, air travel to Newfoundland with the main purpose of visiting friends and relatives has increased by almost 50%. Sightseeing and touring travel increased 26.9% in 1987 over 1984 while "other business" travel decreased by 15.6% during the same period.

- Between 1982 and 1986 the number of automobile travellers visiting friends and relatives has increased by 28%. While the number of auto travellers who visit Newfoundland to sightsee/tour declined by 20% between 1982 and 1985, this market increased by 15.1% between 1985 and 1986.

- With an increase in the number of air travellers who visit Newfoundland to see friends and relatives and a decrease in "other Business" travel, the province has experienced a proportionate decrease in the number of visitor nights spent in hotels/motels and an increase in the number of nights spent with friends and relatives. Within the non-resident auto travel market, there has been an increase in the level of party nights spent in hotels/motels and a decrease in the number of nights spent in campgrounds/parks.

- Automobile rentals by people travelling to Newfoundland by air have increased by 5.5% between 1984 and 1987. There has also been a rise in the number of rentals used primarily for pleasure travel.

- Within the non-resident market as a whole, there has been a consistent decrease in the number of "younger" travellers to the province with an increase of older age visitors. One market which has experienced a significant increase in travel by visitors 65 years of age and older is the sightseeing/touring segment. Between 1980 and 1987 visitation by sightseers and tourers in this age bracket has grown by 21.5%.

Current Visitation

Total visitation to the province of Newfoundland and Labrador reached 1.6 million persons in 1986. Approximately 1.4 million visitors (84%) originated from within the province itself, with non-resident visitation (travel originating from outside the province) totalling 268,464 for that same year.

The most popular destination in the province for both non-resident air travellers and resident travellers is the Avalon region. As outlined in Table 3.1, the Avalon region attracts about 60% of the non-resident air travel market and almost half of the resident market.

The largest share (40%) of the non-resident auto market is destined for the western region because of accessibility via the Port aux Basque ferry gateway. The second most popular destination region among non-resident auto travellers is the Avalon region, which attracts about 33% of the auto visitation.

Discussed in more detail in subsequent sections, Labrador receives a very small share of the resident travel occurring in the province (at approximately 0.8%). It receives a higher share of non-resident air based travel at 4.1% of the total but, given its location and access, received only a very small share of non-resident auto travel (at 0.3% of the total).

It is important to discuss market characteristics as well as travel volumes when assessing overall provincial visitation. With market data being derived from several different sources it is necessary, for clarity, to differentiate between non-resident and resident travel.

TABLE 3.1

MAJOR TOURIST DESTINATION REGIONS
WITHIN THE PROVINCE OF NEWFOUNDLAND
1986-1987

	% PARTY NIGHTS			% TRIPS	
Region	Resident Travellers	Non-Resident Air Travellers	Non-Resident Auto Travellers	Total Auto	Total Air
1 - Avalon	38.1	59.1	33.6	53.7	79.2
2 - Bonavista-Burin	12.2	10.3	10.9	12.2	9.9
3 - Central	18.6	13.2	16.7	48.9	21.1
4 - Western	18.6	13.3	38.5	109.7	20.6
5 - Labrador	0.8	4.1	0.3	0.9	4.3
Not Stated	1.7	-	-		
Total	100.0%	100.0%	100.0%	100.0%	100.0%

* Percent trips may total more than 100%; no accounting for multiple stops on trip.

Source: 1986 Canadian Travel Survey, Statistics Canada
1986 Auto Exit Survey, Department of Development and Tourism
1987 Air Travellers Monitoring Study (Preliminary Results), Department of Development and Tourism.

Resident Travel

Based upon a review of existing secondary source references, a profile of the existing resident travel market is presented as follows:

TABLE 3.2
MAJOR DESTINATION REGION FOR RESIDENTS TRAVELLING WITHIN NEWFOUNDLAND, 1986

Region	Day	Person Trips Overnight	(000's) Total	%
Avalon	149	443	542	42.3
Bonavista-Burin	67	112	179	12.8
Central Newfoundland	156	171	327	23.4
Western Newfoundland	105	171	275	19.7
Labrador	---	7	7	0.5
Not Stated	2	16	19	1.4
Total	479	920	1,399	100.0

Source: 1986 Canadian Travel Survey, Statistics Canada.

- Central Newfoundland witnessed the greatest number of resident day visitors (33%), while overnight resident visitation was highest in the Avalon region (48%).
- For those residents travelling to Labrador, none travelled for a day trip, with 7,000 visitors (5% of the total) staying overnight.
- Approximately 30% of resident travel within the province takes place during July, August and September.

- Approximately 93% of the resident travellers do so by car, 4% travel by bus and 2% travel by air.

- Almost 40% of the resident market have a primary trip purpose of pleasure/vacation, 30% visit friends and relatives, about 22% are travelling for "personal" matters and just under 10% travel for business.

- Resident travellers average 2.1 nights away from home.

- Average party size for resident travellers is 2.46 persons.

- The majority of resident travellers (59.2%) stay with friends and relatives, while 14.7% stayed at a cottage and 13.2% at a hotel/motel.

- The resident travel market contributes the highest level of tourism expenditures at $114,127 million. This is understandable as this market contributes the greatest volume of visitation to the Province.

- More than 50% of the resident market is aged 25-44 years.

- The resident travel market has the greatest likelihood of earning under $20,000 per year (42.5%). Over 80% of the total resident market earns under $40,000 per year.

The market characteristics for the resident traveller are summarized in Table 3.3.

TABLE 3.3

SUMMARY OF RESIDENT TRAVEL CHARACTERISTICS

PROVINCE OF NEWFOUNDLAND, 1986

Characteristic	
Visitor Volume	1,399,000
Average Party Size (# persons)	2.46
Average Length of Stay (nights)	2.10
Accommodation	
- Friends and/or Relatives	59.2%
- Hotel/Motel	13.2%
- Campground/Park	6.7%
- Cottage	14.7%
- Hospitality Homes/Bed and Breakfast	n/a
Expenditures	
- Total	$114,127,000
- Average $/person	$82.00
- Average $/person/night	$28.00
Age	
- 24 and under	22.2%
- 25 to 44	52.5%
- 45 and over	25.3%
Income	
- Under $20,000/year	42.5%
- $20,000 to $39,999/year	40.0%
- $40,000 to $59,999/year	15.4%
- $60,000 and more/year	2.1%

Source: 1986 Canadian Travel Survey, Statistics Canada
1986 Auto Exit Survey, Department of Development and Tourism
1987 Air Travellers Monitoring Study (Preliminary Results), Department of Development and Tourism

Non-Resident Travel

The following Table 3.4 outlines non-resident visitation to the province for 1986.

TABLE 3.4
NON-RESIDENT VISITATION TO THE PROVINCE OF NEWFOUNDLAND-LABRADOR
1986

Origin	Visitors	%
Nova Scotia	63,588	23.7
P.E.I.	3,388	1.3
New Brunswick	16,220	6.0
Quebec	17,170	6.4
Ontario	93,010	34.6
Prairies	3,186	1.2
Other Canadian	25,850	9.6
Total Canada	**222,412**	**82.8**
New England	8,904	3.3
Mid Atlantic	9,363	3.5
East North Central	4,891	1.8
South Atlantic	7,162	2.7
Other U.S.A.	9,816	3.7
Total U.S.A.	**40,136**	**15.0**
Other Countries	**5,916**	**2.2**
Total Non-Resident Visitation	**268,464**	**100.0**

Source: Non-Resident Statistics 1985-1986
Final Estimates, Department of Development and Tourism

Based upon our review of available secondary source references, a profile of the existing non-resident visitation to the province is presented as follows:

- Overall, Canadian sources account for 83% of non-resident travel to the province with 15% originating from the United States.

- 54% of the total non-resident travellers come between the months of June to September. Although 78% of the auto travel occurs during this period, only 40% of the air travel takes place during this period.

- Approximately 64% of the non-residents travel by air with the majority flying in and out of St. John's. The remaining 36% travel by car with about two-thirds of these travelling via Port aux Basques in the Southwest Coast Region.

- The main purpose of the total non-resident market (both air and auto) was visiting friends and relatives (42%).

- Furthermore, sightseeing/touring (23%) and "other business" (23%) were cited as main purposes of non-residents visits.

- The average length of stay for non-resident travellers is 9.44 nights for those travelling by auto and 8.70 nights for those travelling by air.

- Non-resident air travellers average a group size of 1.71 persons while auto travellers average the largest party size with 2.80 persons.

- The majority of non-resident air travellers stayed with friends and relatives (67.7%) with the next largest share staying at a hotel/motel (23.8%). Non-resident auto travellers also stayed with friends and relatives (49.7%), however, there was not a major difference between choice of hotel/motel as an accommodation (19.5%) and campgrounds (18.6%).

- Expenditures by non-resident air travellers totalled about $69,534 million, with non-resident auto travel expenditures totalling $29,568 million. These figures translate to approximate averages of $415/air traveller and $306/auto traveller.

- Just over 78% of the non-resident air travellers are 30 years of age or over with 21.5% being 29 years of age or younger. A slightly higher percentage of non-resident auto travellers are over 30 years of age (84%) with the majority (47.1%) being over 45 years.

- Overall, 63% of the non-resident air travel market has an income of $40,000 and over. The income range of the non-resident auto market tend to be lower with the majority (42.5%) having an income $20,000 to $39,999 and 30.2% earning $40,000 to $59,999.

The following Table 3.5 summarizes the non-resident provincial market characteristics.

TABLE 3.5

SUMMARY OF NON-RESIDENT TRAVEL CHARACTERISTICS PROVINCE OF NEWFOUNDLAND, 1986-1987

	Non-Resident Air Travellers	Non-Resident Auto Travellers
Visitor Volume	171,626	96,383
Average Party Size	1.71	2.80
Average Length of Stay (nights)	8.70	9.44
Accommodation [1]		
- Friends and/or Relatives	66.7%	49.7%
- Hotel/Motel	23.8%	19.5%
- Campground/Park	-	18.6%
- Cottage	0.7%	4.1%
- Hospitality Homes/B & B	1.7%	1.9%
Expenditures		
- Total	$114,127,000	$29,568,500
- Average $/person	$415	$306
- Average $/person/night	$ 49	$ 33
Age [2]		
- 29 and under	21.5%	16.0%
- 30 to 44	44.6%	36.9%
- 45 and over	33.9%	47.1%
Income		
- Under $20,000/year	10.8%	10.2%
- $20,000 to $39,999/year	25.6%	42.5%
- $40,000 to $59,999/year	46.4%	30.1%
- $60,000 and more/year	27.2%	17.2%

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1) Columns do not total 100.0%; intended to show key results not data in its entirety.

2) Differences in data collection format does not allow direct comparison between all non-resident and resident age categories.

Source: 1986 Canadian Travel Survey, Statistics Canada
1986 Auto Exit Survey, Department of Development and Tourism
1987 Air Travellers Monitoring Study (Preliminary Results),
Department of Development and Tourism

3.1.2 - Travel To Labrador

At this point in the market overview, the statistics are now focussed upon the Labrador situation. As an introductory comment to the following discussion it must be emphasized that, due to the relatively small volume of visitation occurring in the area, data which is presented is very unreliable and often is conflicting in nature. The following represents a summary of the best available information to establish a general understanding of the current situation.

Resident Travel

The only estimate of resident travel to Labrador is provided by the Canadian Travel Survey (1986), which cites that of the 1.3 million residents who travelled through Newfoundland, approximately 7,000 (or 5% of the total) stated Labrador as their major destination. The CTS data however can be viewed as being a very conservative estimate when aircraft statistics (summarized in a subsequent section) are taken into consideration.

Additionally, due to the small size of the sample, we can generate no Labrador-specific market profile; therefore we must rely on provincial standards which are not necessarily reflective of the true situation of travel to the north. Applying provincial travel standards to the stated volumes indicates that:

- The primary purpose of these travellers was pleasure (39%). Other responses include visiting friends and relatives (30%), personal reasons (21%) and business (9.6%).
- The majority of these travellers are between 25-44 years of age (41.8%) with about 38% under 24 years and 20% over the age of forty-five.
- Approximately 93.3% travelled by auto, 2% by air and 4% by bus. (It should be noted that again this CTS-based information does not appear to be realistic given the location and access of the destination in question) which would favour air travel over auto.

Non-Resident Travel

The Department of Development and Tourism estimates a total of 11,300 non-resident person visits to Labrador in 1987, 93% of which were by air (10,500 visits).

The two sources of data which can be used to profile the Labrador non-resident visitor are the 1988 Auto Exit Survey and 1987 Air Exit Survey.*

The Auto Exit Survey provides the following characteristics of non resident land-based travellers to Labrador:

- The majority of travellers were from U.S. origins (72.3%) with the greatest volume generated from the Mid-Atlantic and South Atlantic regions at 20.7% and 17.2% of the total respectively while Ontario generated 17.2% of total visits.
- The purpose of the trip to the province was to sightsee/tour (54.2%), visit friends and relatives (25%), fish (4.2%), experience a different culture (4.2%) or participate in outdoor recreation (4.2%).
- The typical party was comprised of a couple (64.5%) with an average group size of 2.19 persons.
- Generally the traveller is older than 55 years of age (63%) with income levels over $30,000 (62.5%).
- The average length of stay was extremely long at 18.65 nights.
- Total expenditures on the trip averaged $1,650.96, with the greatest allocation going towards transportation (41%), followed by restaurants (17%) and accommodation (15%).

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* Statistics represent air exit summaries for Labrador West and Lake Melville destinations only.

- Accommodation used was typically with friends and relatives (at 36% of total nights). Parks, both national and provincial accounted for 28% of all nights with hotels/motels accounting for 17% of nights.

- Labrador was the primary destination for 56.7% of visitors, while the remainder visited Labrador as part of a larger trip to Atlantic Canada.

- Trips were planned well in advance of the trip occurrence (55.2%).

- The traveller to Labrador had typically visited Newfoundland in the past (62%) and 57% intended to return to the province again.

The characteristics of Air travellers to Labrador are summarized below as per the Air Exit Survey, 1987*:

- Visitors from U.S. origins accounted for 21% of total visits, Quebec 20% and Ontario 18%. The Labrador West area generates a significantly higher Quebec market than do other parts of the region.

- Trip purpose differs dramatically according to destinations within Labrador. In total, VFR visits accounted for 37% of visits, business travel (not including military) accounted for 35% of visits, fishing 16% and sightseeing/touring 3%. According to this survey, fishing trips constitute a higher percent of total trips to the Labrador West area than to other parts of the region.

- The majority of visitors are travelling alone (44%), as a family (18%), with business associates (14%) or with a friend (11%). Given the high proportion of single travellers, average group size approximates 1.8.

- The average length of stay is 9.4 nights.

* These characteristics are based upon cumulative averaging of Labrador West and Lake Melville as destinations which represent 96% of Labrador's total air volume.

- Total expenditures on the trip approximate $1,115.99.
- Accommodation typically is provided by friends and relatives (42% of nights), followed by hotels/motels (19%), and fishing camps (12%). Fishing camps provide a larger percent of room nights in the Labrador West area compared to other parts of the province.
- Group bookings account for 3.9% of airline tickets. Packages account for 2.3%.
- The majority of travellers have been to the province before and plan to return again in the future.

Airport Statistics

Statistics maintained at Goose Bay, Wabush and Churchill Falls airports (1987) indicate a total of 61,922 passengers deplaning at all three destinations. This figure represents a total count taken by Canadian Airlines and Air Nova and does not account for those passengers boarding/deplaning through connector flights, therefore it likely over-estimates visitation to the area somewhat.* However, these statistics are viewed as being the most reliable representation of travel volumes to the area and, as such, can serve as the basis for visitation estimates.

Airport deplaning statistics indicate that non-resident proportion of travel to all destinations in Labrador averages 33% of the total. This would translate into 20,434 non-resident air visitors and 41,488 resident air visitors deplaning in Labrador, significantly higher than previously cited estimates of total travel volumes into the area.

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* As an indication of this overlap, 3.7% of visitors to Lake Melville indicated they also visited Labrador West or Churchill Falls on the trip.

3.1.3 - Travel to the Lake Melville Area

Aircraft deplaning statistics for Goose Bay indicate a total of 27,656 passengers, representing 45% of Labrador's total air traffic. A further 3.9% (2,385 persons) deplaned at Churchill Falls. If the same resident to non-resident ratio of travellers is utilized (as discussed earlier), this would reflect a total of 9,126 non-residents and 18,529 resident air visits to Goose Bay.

In addition to airplane volumes, residents and non-residents can access the area by ferry. The volume of this type of travel is estimated at 4,500 trips* (disembarkation), with the majority of trips generated by residents of the province.

Ferry traffic peaks in July and August representing 69% of all arrivals, followed by September (23%), June (11%) and October (3%). The Lake Melville area is, for all intents and purposes, not accessible by land-based auto travellers, therefore total volumes represent air and ferry volumes.

Resident Travel

In the absence of data, we must assume that the resident traveller exhibits similar characteristics to that of the provincial market as a whole, i.e., travelling for pleasure (39%), visiting friends and relatives (30%), for other personal reasons (21%) or business (10%).

Non-Resident Travel

The non-resident travel volume character is well defined from the 1987 Air Exit Survey, with Lake Melville as a major destination. The following summarizes the non-resident visitor to the area:

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* Peak year volumes generated 4,840 passengers disembarking in Goose Bay (1987).

- The traveller's origin is from the United States (18.7%), specifically from the East North Central area; from Ontario (17.3%), Nova Scotia (17.0%), other countries (13.5%), Quebec (13.5%) or New Brunswick (13%).

- The main purpose for travel is to visit friends and relatives (44.1%), for business reasons (35.7%), to fish (7.5%) or for military reasons (5.1%). Sightseeing/touring and other general travel accounts for 5.9% of the total.

- The average party size is 2.01, with the bulk of visitors travelling alone (41.4%), with their spouse and child(ren) (24.2%) or with business associate(s) (17.4%).

- On average the length of stay is a total of 9.51 nights.

- Expenditures average $1,144.65 per visit or $120 per night; with the expenditure allocated to restaurants (38%), accommodation (18%), in-province airfare (13%) and souvenirs/crafts (10%).

- Room nights are generally allocated between friends and relatives (40%), hotels/motels (23%) or other types of accommodations (31%).* Fishing camps constitute only 4.6% of total nights, this likely skewed due to the long length of stay exhibited by those individuals visiting friends and relatives.

- Travellers to the Lake Melville area also visit St. John's (20%), other parts of Labrador (12%) and Gros Morne (8%).

- Travellers to the area are typically travelling on regular or reduced airfare with only 2.7% on a package and 2.4% travelling as part of a group booking.

- Travellers to the area are generally young adults aged 25 to 44 with only 19% aged 45 or older.

* Likely such accommodations as military accommodation.

- Travellers typically have incomes of $40,000 to $50,000 per year (45.4%).

- Travellers have typically not been to the province before (56%) and are planning to return in the future (66%).

When statistics for Lake Melville are evaluated against Labrador West's non-resident travel market, the following key differences can be noted:

Lake Melville	Labrador West
Higher relative overseas visitation	Higher relative Quebec visitation
	Higher relative U.S. visitation
Higher relative VFR travel	Higher relative fishing travel
Higher relative military travel	
Higher relative business/convention travel	
Younger market, i.e., 25 to 44	Older market i.e., 40+
More family travel, larger group size	
Slightly longer stay	
Higher spending	
Higher relative expenditure on restaurants	

3.1.4 - Summary of Existing Visitation

This section of the report has overviewed the travel market currently visiting the province, and more specifically Labrador and the Lake Melville area.

The following summarizes the best estimate of total travel to the Lake Melville area, including travel by local residents in/out of the region. It must be stated again that, given the data limitations which exist, that this estimate is presented to establish a context for the project.

It is estimated, using airline deplaning statistics and ferry disembarkation volumes as the basis for this assessment, that a total of approximately 34,500 trips of all types are now taken into the Lake Melville area. Utilizing this information and, where necessary, applying provincial averages, Table 3.6 summarizes the travel character of the Lake Melville area.

TABLE 3.6

SUMMARY OF MARKETS TO LAKE MELVILLE AREA

	Resident Trips	**Non-Resident Trips**
Total Trips	24,627	9,913
Party size (Average)	N/A (2.46 prov. avg.)	2.01
Average length of stay	N/A	9.51
Expenditures		
Total	N/A	$11,346,915
Average $/person	N/A	$1,144.65
Average $/person/night	N/A	$120.36
Travel mode (%)		
Air	82%	100%
Auto/Ferry	18%	-
Trip Purpose	39% pleasure	44% VFR (visiting friends and relatives)
	30% VFR	36% business
	21% personal	8% fishing
	10% business	6%sightseeing/touring
		5% military

N/A - Indicates information was not available for local area. Given the very distinct differences between the study area and other destinations in the province, no estimates can be generated on the basis of provincial averages.

3.2 Specialty Markets

The previous section defined the nature and character of the tourist market to the study area. This section overviews a number of specialty markets which the area is presently attracting or may have potential to attract in the future. Market segments have been established and sized according to specific activities e.g., winter sports; trip purpose e.g., business travel and psychographic segmentation analysis e.g., soft adventure.

The objective of this process is not to examine each segment in detail, but rather to overview the character of the market, their relative size and the facilities and services which are required to define what actions Central Labrador can take to capitalize upon these opportunities. This information is shown in Table 3.7.

The first group of markets discussed are those which are, and will continue to be regionally or provincially generated, these include:

- VFR-induced travel Market
- Military Personnel Market
- Winter Activities Market
- Business and Government Travel Market

The second grouping of markets originate, for the most part from origins outside of the region. These markets include:

- Fishing Market
- Hunting Market
- Cruise Market
- Wilderness Adventure Market
- General Interest Touring Market

These markets are summarized according to both activity and geographic origin. More detailed information on this second groups of markets is provided in the appendix.

TABLE 3.7 - SUMMARY OF SPECIALTY MARKETS

1. V.F.R. - INDUCED TRAVEL MARKET

MARKET CHARACTER	FACILITIES/SERVICES NECESSARY TO SUPPORT MARKET	EXISTING RESOURCE BASE OF AREA	OPPORTUNITIES FOR CENTRAL LABRADOR
. Of all trips taken within the province, VFR trips account 30% of resident trips and 42% of non-resident trips for a total of 532,500 trips.	. Market is similar to general interest tourist e.g., wants a variety of interesting things to see/do, participate	. Area offers a variety of restaurants, regional natural attractions.	. Key market to consider since opportunity to increase spending without external advertising.
. In the study area, 30% of resident trips and 44% of non-resident trips are VFR in nature for a total of 11,750 trips. This represents 0.2% of provincial VFR market.	. Requires food services, information services.	. Limited programming in place to serve VFR market.	. Target marketing to local residents.
	. Will plan trip around local special events, reduced fares.	. Limited number of local attractions to introduce visitor to area, history, etc.	. Packaging of local/regional trips, promotion of area recreational resources.
. The local population of the study area approximates 8,500. Placing the ratio of residents to VFR visits locally to that of the province indicates that the study area is generating a substantial level of VFR traffic for the population base.	. Travel is not necessarily limited to peak travel season.		. Providing maps and information services to local residents.
	. Market creates lower economic benefits for the area as visitor does not require accommodation or use food and beverage facilities extensively.		. Providing interpretive facilities to introduce visitor to local area and wider region.
			. Promotion of special events to regional market.

2. MILITARY PERSONNEL MARKET

MARKET CHARACTER	FACILITIES/SERVICES NECESSARY TO SUPPORT MARKET	EXISTING RESOURCE BASE OF AREA	OPPORTUNITIES FOR CENTRAL LABRADOR
. Present permanent market of 1,100 persons . Transient pilots now total 7,000 (April to October); projected to 12,000 in the time frame of this study.	. Basic facilities which are required are on site now and will be provided in a greater degree by NATO development.	. Presently pilots take advantage of local recreation, sports facilities, e.g., golf, ski hill, etc.	. Opportunity to view military as both market and a product i.e., attraction.
. Installation of NATO base would increase permanent base population to 6,000 and transient pilots to 20,000 - 25,000 by 1994.	. Opportunity to provide and package other activities in the community to stimulate greater economic benefits from this market.	. There is a concern that transient military personnel are utilizing wilderness resources without the services of local outfitters, therefore generating no net economic benefit locally.	. As market: - More targeting of liaison/recreation staff at base to encourage use of local facilities and services.
. Approximately 5% of non-resident trips are military related (500 person trips). . Base has been in operation for 48 years, in this time a very large volume of persons have gone through "the Goose", ex. by the end of W.W.II it is. estimated 24,000 aircraft passed through the base alone.	. Facilities/services for foreigners will become more necessary with NATO development e.g., bookstores.	. Regional resources, i.e., wilderness have strong appeal to this market.	- Specialized low cost packages of area resources from April to October. - Possibility of introducing direct flights from Holland and Germany thereby assessing overseas markets.
. In addition to military, the area experiences significant transient civilian pilot activity.			. As product: - Creating stronger military ambiance in community. - Utilize base facility more as an attraction, e.g., tours, air show. - Develop attractions to support military theme, e.g., museum, officers mess. - Establishing contacts with military related organizations, e.g., Legions, flying club, etc. - Include military history as part of any interpretive facilities put in place.

3. WINTER ACTIVITIES MARKET

MARKET CHARACTER	FACILITIES/SERVICES NECESSARY TO SUPPORT MARKET	EXISTING RESOURCE BASE OF AREA	OPPORTUNITIES FOR CENTRAL LABRADOR
. Winter activities include downhill and cross country skiing, snowmobiling, skating, snowshoeing, and ice fishing. . Downhill skiing is strongest market opportunity in winter given the availability of other resources locally elsewhere in the province. Atlantic Canada is Canada's strongest growth area in this sport. . In province - 7,000 households (4%) own downhill skis, 22,000 (13%) own X/C skis and 38,000 (23%) own snowmobiles. Canada's averages are 19%, 27% and 70% in these sports respectively. In Atlantic Canada 61,000 households own skis. . There are 206 businesses and clubs in the province related to skiing. . Marble Mountain is generating 75,000 skier visits (8,000 from outside the area) and has a membership of 1,700. . Skiing is fifth strongest growth sport in Eastern Canada after bicycling, golf, walking and fishing. . Resident travel in the winter season accounts for a small number of trips into the area, although the total number is not estimitable.	. Accommodation and food services. . Ambience of winter resort. . Winter facilities, e.g., marked trails, equipment rentals etc. . All-inclusive packaged trips. . Availability of hospitality services in off-season.	. Snow Goose facility is an attractive local ski facility (5 runs) . Area features extensive X/C trails, snowmobile trails. . Winter weather is very good, i.e., dry and sunny. . Winter activities are concentrated in one area i.e., Gosling Park. . Development plan is in place for further development and expansion of Gosling Park and Snow Goose. . Development plan costs for Gosling Park totals $470,000 and $880,000 for Snow Goose expansion.	. Competition for winter (ski) market is fierce with a minimum of 15 ski areas in Atlantic Canada. . New ski area development is very costly. . Opportunity to establish a regional "ski circuit" between ski clubs, ski shops, etc. to encourage regional travel. . Creation of a series of all-inclusive packages to create diverse winter opportunities in area, e.g., airfare, downhill and cross-country skiing, traditional boilup, dog sled ride, accommodation, etc. Packages to be targeted to regional residents. . As a market, opportunity is limited but offers possibility to generate some amount of winter travel into the area.

4. BUSINESS AND GOVERNMENT TRAVEL MARKET

MARKET CHARACTER	FACILITIES/SERVICES NECESSARY TO SUPPORT MARKET	EXISTING RESOURCE BASE OF AREA	OPPORTUNITIES FOR CENTRAL LABRADOR
. Nationally, business, convention and incentive travel is increasing.	. Accommodation, food services and meeting space in close proximity to each other.	. The development of new conference facilities at the Aurora Hotel will assist in the development of this market. The Hotel will be able to accommodate larger conferences.	. Market will be comprised of smaller government, military and business meetings given the base facility and the regional service centre character of Happy Valley-Goose Bay.
. Newfoundland is experiencing increased travel in this segment with the introduction of new facilities in St. John's. A total of 201,600 trips (12% are convention/business in nature.	. Good air transportation links and scheduling.		
. St. John's receives the bulk of this visitation.	. Area shopping opportunities e.g., handicrafts.	. Additionally the Labrador Inn and the Labrador Institute provide meeting spaces for groups.	. Level of market will be directly influenced by level of economic activity in the region.
. HVGB generates a minimum of 6,000 trips (17%) in this sector which represents 3% of the provincial market.	. Local convention planning assistance to arrange local tours.	. Increased activity at the Base will positively impact the size of this market.	. Opportunity to increase level of incentive travel to area and development of "business" packages which include leisure activities that are unique to area, e.g., fishing skiing, sightseeing tours of the Torngats, etc.
. Business travel is primarily generated by non-resident markets (59%), therefore representing positive economic benefits to the study area.			
. Local hotels estimate that the majority of their clientele is generated by business, government and construction trades.			
. Some incentive travel is now occurring in the area, e.g., fishing trips by Abitibi Price.			. Future development of meeting facilities should continue to be private sector initiative as market demand warrants.
. Increased activity at the Base will positively impact the size of the market coming into the area.			

5. FISHING MARKET *

MARKET CHARACTER

- Canada's fishing market represents 4.9 million trips with the strongest participation shown in Ontario (2.4 million trips) and Quebec (871,000 trips).
- U.S. market represents 26 million trips.
- Overseas markets (France, Germany, U.K., Japan) represent market of 350,000 persons.
- Strong growth has been shown in fishing activities in both Canada and the U.S.
- In province it is estimated 24,000 fishing licenses were sold, the majority for salmon.
- Occupancies at local camps approximate 60%.
- It is estimated that at minimum 750 to 800 fishing visits were generated by non-residents. More realistically 900 to 1,000 fishermen visit the Lake Melville area.

FACILITIES/SERVICES NECESSARY TO SUPPORT MARKET

- Fishing destinations must offer high quality resources, i.e., size, abundance, uniqueness.
- Packaging at both the high end and economy level.
- Limited interest in doing/seeing other things e.g., sightseeing as part of fishing trip.

EXISTING RESOURCE BASE OF AREA

- Area offers excellent sport and trophy fishing resources, including salmon, whitefish, trout and pike.
- Province has 87 outfitters, 22 (25%) located in Labrador. The majority are accessed out of the Lake Melville Area.
- Fishing packages are available, ranging from $750 to $2,500 with the most popular packages starting at $1,700.
- Existing outfitters organization exists in Labrador. Organization broke away from provincial body.
- Interest in establishing more stringent policies for protecting trophy rivers.

OPPORTUNITIES FOR CENTRAL LABRADOR

- Strongest competition comes from Arctic Quebec followed by Alaska, Yukon, Manitoba and the N.W.T.
- Segmentation of fishing market indicates the total fishing market available to Arctic destinations is is 110,000 persons. Key markets include Ontario, Northeastern U.S. and Germany. Penetration of the market at 3% would generate 3,300 trips into the area.
- Fishing market is a growth opportunity for region but since camps are located outside of Lake Melville area offer limited opportunity for economic benefits to the local community.
- Opportunity to improve relationship, promotion between existing camp operators.
- Opportunity to sell "mini packages" to military.
- Some opportunity to establish new fishing camps in Labrador, and expansion of existing facilities.
- Land claims issue may impact expansion of this industry.

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* Market is detailed in Appendix A

6. HUNTING MARKET *

MARKET CHARACTER	FACILITIES/SERVICES NECESSARY TO SUPPORT MARKET	EXISTING RESOURCE BASE OF AREA	OPPORTUNITIES FOR CENTRAL LABRADOR
. Canada's hunting market is estimated at 1.5 million trips. Ontario generates 726,000 trips and Quebec 260,000 trips. . U.S. market represents 14 million trips. . Overseas markets represent 70,000 persons . Hunting market is substantially smaller than fishing or adventure market. . Province has 46 Big Game outfitters, mostly located in western and northern regions. . Provincial totals for big game licenses total 15,000 for moose and 1,800 for caribou. Additionally 42,000 for smaller game i.e., rabbit, ptarmigan, etc. . No accurate estimates of hunting activity in Lake Melville is available, however it is estimated that, at maximum, some 80 to 100 hunters come into the area.	. Market selects destination on the basis of availability of big game, guide services, price and food quality. . Limited interest in doing other activities, e.g., sightseeing as part of trip.	. Regional resources include lynx, wolverine, beaver and muskrat with the principal resource being the caribou. . Caribou migration is highly variable in surrounding region. . Caribou condition is of highest quality in Quebec range of herd. . Majority of hunting in region occurs west of Churchill Falls and north of Nain. . Moose hunting is possible south of HVGB but resource capability will limit opportunity to offer to outside markets at a significant level.	. Caribou resource is unreliable compared to Labrador West and Arctic Quebec and therefore not a strong market opportunity to area. . Key access points for hunters will continue to be Schefferville, Fort Chimo and Labrador City/Wabush. . Segmentation of hunting market indicates that total market available to Arctic destinations is limited to 30,000. Key markets are Ontario and the northeastern U.S. Penetration of the market at a similar level to fishing (3%) would generate 900 visits to area. . Opportunity to improve relationship and promotion between existing camp operators.

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* Market is detailed in Appendix A

7. ADVENTURE TRAVEL *

MARKET CHARACTER

- Market is differentiated from "general interest" tourist in that physical activity is integral to experience.
- Market can be divided into "soft adventure" i.e., walking, canoeing, photography and "high adventure" i.e., hiking, mountain climbing.
- There are over 300 tour companies packaging wilderness adventures in over 50 countries.
- Canadian market for outdoor adventure approximate 200,000 to 300,000 people.
- U.S. adventure markets are estimated to total 390,000 for hiking, 1.7 million for wildlife viewing.
- Growing market with interest in exercise, getting back to nature, etc.
- In the Lake Melville area 0.8% of non-resident travellers cited adventure travel as their purpose (approximately 50 to 80 persons).

FACILITIES/SERVICES NECESSARY TO SUPPORT MARKETS

- Unique natural resources, scenic scenic environments.
- Emergency shelters, hostel accommodation or naturalist lodge accommodations and emergency air strip.
- Packages offered through reputable and established adventure product wholesalers.
- Market is attracted to areas which have an established image.

EXISTING RESOURCE BASE OF AREA

- Surrounding region e.g., Torngats and coast offers significant opportunities for wilderness adventure e.g., canoeing, kayaking, rafting, cross-country skiing, trekking and wilderness viewing.
- Wilderness and glacial geology have appeal to these markets.
- Local area i.e., HVGB and environs offers some adventure resources, e.g., Mealy Mountains but more importantly can act as a regional service centre for northern/coastal destinations.
- Low level jets detract from wilderness experience, therefore defining location of future product development.
- A number of local organizations/ companies are interested in becoming involved in this market.

OPPORTUNITIES FOR CENTRAL LABRADOR

- Competition for market in North America comes from the Yukon, and Alaska. Worldwide northern destinations include Sweden and Norway.
- Market for all Arctic destinations approximates 100,000 to 186,000 persons. A low penetration of 2% would generate 1,000 trips into Labrador.
- Limited economic impacts to local area since resources are regional.
- Opportunity to provide interpretive information services to acquaint adventure traveller to regional resources.
- Opportunity to sell HVGB as gateway to the Labrador Coast.
- Primary geographic markets are U.S. and European rather than Canadian.
- Marketing requires involvement with specialty wholesalers.
- Opportunity to utilize existing camps for wilderness adventure as well as development of new naturalist lodges in the wider region.

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* Market is detailed in Appendix A

7. ADVENTURE TRAVEL (continued)

MARKET CHARACTER	FACILITIES/SERVICES NECESSARY TO SUPPORT MARKET	EXISTING RESOURCE BASE OF AREA	OPPORTUNITIES FOR CENTRAL LABRADOR
			· To successfully include coastal communities as part of any wilderness tour, it is important to include the residents as part of any plans i.e., initiate community-based tourism programs. · Opportunity to encourage more local 'soft' adventure by mapping local canoe routes, providing camping facilities and packaging short-term mini adventure packages e.g., trip to Mealy Mountains. · Establishment of a national park in the Torngats would create a strong image for Labrador as an adventure destination.

8. CRUISE MARKET *

MARKET CHARACTER	FACILITIES/SERVICES NECESSARY TO SUPPORT MARKET	EXISTING RESOURCE BASE OF AREA	OPPORTUNITIES FOR CENTRAL LABRADOR
. A total of 1.8 million cruises taken by North Americans. . The U.S. generates 75% of all passengers worldwide. . Secondary cruise markets include Germany and the U.K. . There are 120 cruise ships worldwide. . Strong growth as market . HVGB has seen the arrival of a cruise ship in the past. . Marine Atlantic carries 4,500 passengers into the area annually. Although the percent of tourists on these trips cannot be estimated, the vast majority of travellers are residents of the province.	. Generally Arctic destinations are less appealing than tropical/temperate climates. . Select route with many stops along the way, i.e., different towns. . Enjoy scenic and wildlife resources, particularly marine mammals.	. HVGB is accessible to cruise boats and can be a stop as part of an Arctic cruise visiting the Labrador Coast. . Labrador coast offers spectacular scenery and extensive marine wildlife.	. Focus of Arctic cruises is in the west i.e., Alaska in July and August. . Arctic destinations are the preferred choice of 4% of cruise market and therefore offer limited potential. . The total market for Arctic cruises is estimated at 63,500 persons. Penetration of the market at 0.5% would generate 200 travellers. . To benefit from cruises, communities can provide a special feast, establish day trip packages and provide arts/crafts products. . Cruises generally create peak load problems on a community, and since they require no overnight accommodation, generate limited economic benefits to the community.

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* Market is detailed in Appendix A

9. GENERAL INTEREST TOURS *

MARKET CHARACTER

- Sightseeing trips are taken by 40% of residents (560,000 trips) and 23% of non-residents (62,000 trips) provincially.
- In the Lake Melville area, pleasure trips are the purposes of 40% of residents (9,600 trips) but but only 6% of non-residents (600 visits.)
- Market is broader and therefore larger than hunting, fishing or adventure markets.
- The Labrador West area is presently experiencing a growing level of bus tour activity, i.e., est. 30 such tours to occur in 1989.

FACILITIES/SERVICES NECESSARY TO SUPPORT MARKETS

- Trip must reflect a theme, be special or unique
- Trip can be part of an overall loop or tour to a larger area.
- Require shopping, attractions, restaurants, entertainment.
- Requires a higher level of amenities and service than other markets.
- General tours can include elements of soft e.g., wildlife viewing, photography, canoeing, boat trips.
- Cultural and scenic resources of an area are key attractions to tourists.
- Requires good, standard road suitable for suitable for automobiles and bus excursions.

EXISTING RESOURCE BASE OF AREA

- Area offers a variety of accommodations, restaurants, recreation base to serve this market.
- Area has limited attractions and entertainment base.
- Area has interesting history which includes exploration, settlement, and military evolution.
- Area will become road accessible from Labrador West by 1991/92.
- Road to Red Bay is not likely over the planning timeframe of this study.
- Area has no "downtown" focus for shopping.

OPPORTUNITIES FOR CENTRAL LABRADOR

- Market for general interest tours to Arctic destinations is estimated at estimated at 328,000 persons. Primary markets include the U.S. followed by Germany and France.
- Opportunities in expanding this market include:
  - improving aesthetics of communities
  - capitalizing upon heritage of area, base
  - presenting information on the region surrounding HVGB.
  - introducing special events in support of the above.
  - improving signage and mapping of area as well as information on area facilities and services.
  - Establishing mini 1/2 day trips in/outside of the HVGB area i.e., to Mud Lake, the base, etc
- A key to generating taffic will be liaison with the Labrador West Development Corporation to establish tours of both communities on a multi-modal basis.
- Labrador has a special allure to general interest markets which should be marketed separately from the rest of the province.
- Over the longer term, the HVGB area can be marketed as part of a larger Great Labrador Circle route.

3.3 Summary of Market Strengths and Weaknesses

The preceding information has provided the reader with an overview the existing Provincial, Labrador and regional travel market. Additionally, it has defined the size and character of a number of markets which the area can potentially attract to a higher degree.

The following Table 3.8 summarizes the key information which was generated by the analysis.

TABLE 3.8 - SUMMARY OF MARKET STRENGTHS AND WEAKNESSES

	STRENGTHS	WEAKNESSES
Existing Visitation	. Non-resident travel to the Province has been on the increase since 1983. . Central Labrador is accessible to major markets by air and, over the longer term, by road from Labrador West. . Area receives non-resident visitation from the U.S. (19%), Ontario (17%), Nova Scotia (17%) and other countries (14%). . A large percent of non-resident travel is for the purposes of business. Military activities also generate a significant proportion of travel. . The fishing market is an established one for the area, representing 8% of all trips into the region. . Expenditures by non-resident travellers are high. . Tourists stay, on average, nine nights in the area.	. Resident travel volumes are declining on a provincial basis. . Central Labrador is a "long distance away" from major markets by auto-based travel. . Central Labrador receives a small share of the province's total travel volume (1.8%). . Travel volumes to Central Labrador are relatively low at 34,500 visits for all purposes. . The bulk of visitation is for the purposes of visiting friends and relatives, a travel market which spends proportionally less. . Few packaged or group tours are occurring in the area. . The area receives a very low amount of "sightseeing/touring" or "adventure" travellers. . The hunting traffic is not as large as that which is occurring in Labrador West.
Potential Markets	. Both adventure and fishing markets are experiencing growth. . The area has strong opportunity to expand its market in the areas of fishing and adventure travel. . The study area is in a good position to benefit from more regional visitation as it functions as a gateway to the north and coast.	. Adventure and fishing activities are regional in nature, therefore generating lower economic benefits in the community. . Area has some opportunity to expand hunting visitation beyond current levels, however, market size and trends indicate this market to be of lower priority compared to fishing, for example.

- The area can build upon its existing markets more extensively; this including the growing military market and, to a lesser degree, the winter activities market.

- Business and government travel can be encouraged to participate in mini-packages and incentives.

- Business travel will increase as military activity increases.

- Opportunity exists to establish links with overseas markets due to military presence.

- Some opportunity to generate interest in cruising along the Labrador Coast.

- Growing tour market going into Labrador West. Opportunity exists to link the study area with this market when road development is complete. Over the longer term, linkages to Bed Bay are possible.

- 'Labrador' has a strong allure to European markets.

- Labrador is closer to major markets in the East than are its North American competition.

- The success of other northern destinations indicates that developing the areas "cultural" and scenic resources will be a key to success.

- To build strong appeal in adventure and general interest/cultural tours, there needs to be a strong relationship established with communities on the coast and elsewhere in Labrador. This has implications for organizations in Labrador.

- The area does not have a national park; such a project would create a stronger image for Labrador in the marketplace.

- Competition for winter activity market is fierce.

- Small local/regional market, therefore there is a limit to the amount of VFR traffic which can be generated into the area.

- Cruise markets are small and generate limited economic benefits to the host community.

- The distance from Labrador West to the study area is a long one.

- Accessing the tour market will require a strong relationship between Central Labrador and Labrador West.

- There is a strong level of competition in all markets from other northern destinations including the Yukon, Alaska, the Northwest Territories and Quebec.

- Labrador should be marketed as a separate destination to maximize its appeal to key markets.

- Development of Labrador's cultural resources, especially on the Labrador Coast, will require that a community-based tourism process be undertaken. This is an opportunity to consider for the area.

4.0 SUMMARY OF ISSUES AND OPPORTUNITIES

The report to this point has reviewed the resource base of the area and has provided an overview of the markets which are, or have the potential to be attracted to the area.

This section of the report will distill the foregoing information to arrive at a series of development opportunities for further consideration in subsequent phases of the study.

More specifically, this section of the report will:

(a) isolate the key issues relating to tourism development in the Lake Melville area;

(b) establish a strategic approach to guide future development and promotion of the area; and

(c) summarize a long list of development opportunities designed to i) build upon the strengths of the area and ii) support the strategy which is forwarded.

4.1 Summary of Key Issues

A detailed listing of resource and market strengths and weaknesses was provided in previous chapters. Based upon a review of the **whole, from both a product and market perspective,** the following have been identified as the **key issues** which can and will continue to impact tourism development in the Lake Melville area:

1. The immediate study area offers a pleasant natural environment and scenery; e.g., Mealy Mountains, etc.; however, **it is the wider region i.e.,** the Torngats and the coast **which offers the most spectacular natural resources** i.e., scenery, wildlife, etc., which would have the most appeal to major markets.

2. **The community of Happy Valley-Goose Bay,** which is the point of entry for visitors to Central Labrador, **does not present a distinct /unique character or image to the visitor** i.e., in terms of architecture, signage, aesthetics, etc.

3. **The community of Happy Valley-Goose Bay offers a reasonable level of hospitality facilities and services.** Entrepreneurial interests are evident as, for example, the area is seeing new developments in the area of hotels, lounges and crafts facilities.

4. **The area is presently functioning as a base for fishing and, to a lesser degree, hunting.** Again these resources are regional rather than local in nature. We are seeing growing interest in providing adventure products in the area. The outfitting product offered is generally of a high quality.

5. **Presently the volume of total travel going into the area is small** (at approximately 34,500 trips for all purposes). Residents travel to the area to visit friends and relatives, for pleasure trips or for business purposes. Out of province travel is generally for the purposes of visiting friends and relatives, business and fishing. In total, outfitting volumes approximate 1100 persons in the wider area. A review of potential markets indicates the area can potentially increase its image in regional markets, therefore stimulating more VFR-based travel and winter activity markets. Non-resident markets (U.S. and European) with the highest potential are the fishing, wilderness adventure and general interest touring markets.

6. **Labrador as a whole has a special mystique and appeal to European markets and, as such, it should be marketed as a separate destination.** A national park, however, would elevate the allure of the destination to these markets.

7. **The history of the area is a relatively interesting one** which may provide opportunities for interpretation, marketing etc. The military has influenced settlement patterns in the area, while other themes such as the history of exploration and settlement of Labrador and are unique to the area. The region is home to a diversity of cultures and peoples, each with their own history and lifestyles.

8. Although **travel is generally limited to air transport** (good access and service), the ferry can provide an interesting way of visiting the area and can provide opportunity to introduce multi-medal tours of the area. The ferry trip is, however, very long and the ferry service is now viewed as transportation for residents rather than tourists.

9. **The road into Happy Valley-Goose Bay from Labrador West will be implemented within the planning time frame of this study,** scheduled for completion by 1991/92. The road connection to Red Bay is considered a long term possibility. With the advent of road connections, Central Labrador can be marketed together with Labrador West and, over the longer term with the Coast, as part of the "Great Labrador Circle Route".

10. **Happy Valley-Goose Bay is a regional service centre to the coast and is the logical access point to Northern Labrador** (as well as Fort Chimo). As such, business and government travel is an integral part of the existing travel market to the area.

11. **The potential development of a NATO Training Centre** in Happy Valley-Goose Bay will, in addition to increasing the local population base and impacting the local economy, influence the area's ability to establish contacts and exposure in European markets.

12. **The tourist industry in central Labrador is experiencing a problem in the area of staffing.** This situation will worsen as a) the military presence increases and b) tourist volumes increase.

13. **The issue of land claims will likely impact future tourism development initiatives in the wider region.**

14. **Outfitters are concerned about the non-regulated use of Labrador's resources by non-residents of the Province.** The industry would like to see restrictions put in place which require non-residents to use local outfitters, this applicable to the military population as well.

15. There is also concern that there have been **no further efforts to improve legislation which deals with the concerns of the outfitting industry** i.e., protection of natural resources, application processes, bag limits etc.

16. **Enforcement of hunting and fishing regulations by authorities must be increased.**

17. **There appears to be a degree of overlap and some confusion as to the roles and responsibilities of different organizations in the area of tourism development and promotion.** There is a need to establish a single, organization which includes a strong level of private sector participation. The Labrador Outfitters Association is beginning to move toward more cooperative promotional activities and efforts should continue to be focussed in this direction.

18. In expanding the tourism market for Central Labrador, it must be recognized that there is a **very high degree of competition within the marketplace.** This competition does not only include other northern destinations in North America, but given the cost of airfare, includes more remote destinations worldwide. Our analysis of Canadian competition indicates that Labrador's strength is its relative proximity to major markets vis a vis other northern destinations. It can learn from other destinations' experiences that a key selling point will include its cultural resources. **Establishing a strong image in the market will be key,** thus requiring a unified marketing approach for the whole of Labrador.

4.2 Strategic Approaches to Future Development

Based upon the foregoing summary of key issues, it is recommended that the following approach for development be adopted in the area.

1. **Lake Melville's primary strength is its position as an access, service and orientation node for the greater part of Labrador. As such the area must be positioned as a "service and orientation hub" rather than a "destination"unto itself.**

o The resources of the immediate study area are not significant enough to create a destination of the area. However, the area has a sufficient level of infrastructure and an ideal location to be positioned as a service centre to capitalize upon Labrador's key strengths e.g., outfitting, the Coast, Red Bay site, etc.

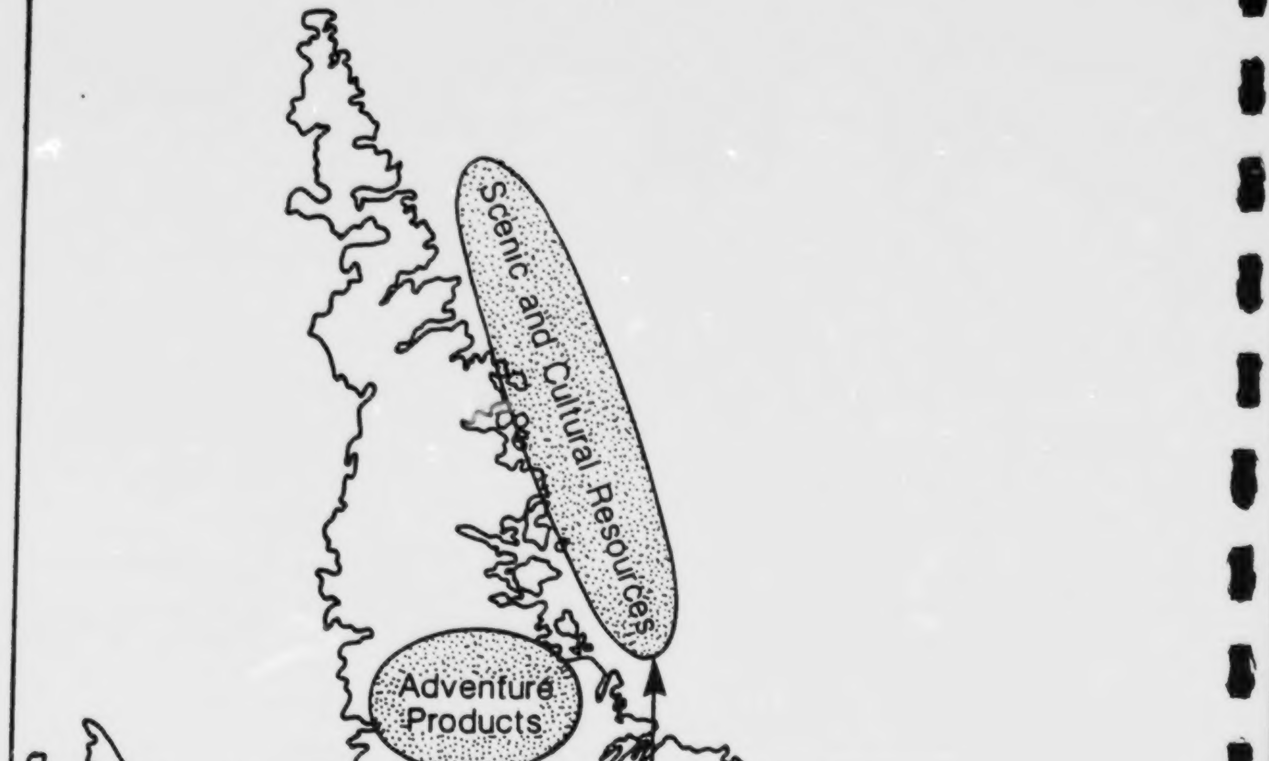
o The local area can generate positive economic benefits by building on its strengths as a) a service/access hub for Labrador's northern and coastal areas and b) its central position, over the longer term, on the Great Labrador Circle route.

o To be successful in maximizing these regional resources, it will be critical to establish an ongoing relationship with regional operators and communities, this in the form of a Labrador-wide organization.

o In an effort to make the Lake Melville area a strong hub, it will be critical for the area to expand its local attractiveness and inventory of things to see and do, this to maximize the benefits of travel into the area. **There are solid opportunities for local product development:**

- As a hub for regional activity, it is important that the community of Happy Valley-Goose Bay continue to improve its aesthetics, signage and information services.

- Closer to home, development of short (1/2 day to weekend-long) packages and promotion of area resources i.e., Northwest River, Mud Lake, Churchill Falls


Scenic and Cultural Resources
Adventure Products
Established Outfitting Industry
Existing Tour Market
special events
limited ferry access
recreation resources
air base
Central Labrador
planned road link
World Class Heritage Sites
infrastructure and services
air access from major markets
existing military VFR and business travel

CENTRAL LABRADOR'S STRATEGIC POSITIO

FIGURE 4.

and the Mealy Mountains, will interest to the visitor to the area. In particular, Northwest River, as a very attractive community, can be a focus for cabin development to be used by the military and general tourists on a short term basis.

- Given that the most spectacular resources of Labrador -- although accessible through Happy Valley-Goose Bay, are not available locally -- efforts should be made to reproduce these experiences in the local community to orient visitors to Labrador, ex., interpretive displays, demonstrations, etc.

o Recognizing the above as being the primary strategy to guide development, **there are a number of supporting activities which can complement and build upon the area's strengths**, described below.

2. **Focus more upon the military opportunities which are inherent to the area.**

The military presence in Happy Valley-Goose Bay has often been viewed as a liability with respect to tourism. It is our view that the military can be more fully optimized as both a market and a product.

o The military is a large and growing local market for both community and regional products. Developing and packaging opportunities to stimulate further expenditures by this market is an immediate opportunity to explore.

o The area's military history is an interesting one as are the present activities which are currently occurring at the base. There is opportunity to profile the military in Happy Valley-Goose Bay in such a way as to both educate and entertain the visitor. Interpretive and simulation facilities, establishing a military ambience at a restaurant lounge, base tours and special events can all explore the opportunities provided by the military while providing an opportunity for the military to establish positive relations with the community as do, say, large corporations.

- If product development related to the military is put in place this, in turn, can be packaged with other area resources to target related specialty markets who would have appeal to these activities e.g., legions, flying clubs, associations.

Throughout the course of the study concerns were voiced by the local community and regional outfitters that the military, as well as other non-residents of the province, are utilizing Labrador's wilderness resources without the assistance of local outfitters. In order to maximize the military's potential and mitigate against perceived problems, **it will be critical to improve the communication between the military and tourism sectors in the area as well as establishing and enforcing regulations in this regard.**

3. Continue to build upon the already successful outfitting industry.

- The resources of the area and market trends indicate that the focus for future outfitting expansion should be focussed on fishing and adventure activities rather than hunting.

- In order to maintain this sector it is critical that protection policies are established and enforced with regard to non-resident use of resources without the benefit of an outfitter.

- The existing operations tend to be fairly upscale in nature. Over the longer term the expansion of the outfitting industry will be towards:

  - expansion and consolidation of existing operations as well as, to a small degree, the introduction of new operators in the area;
  - introduction of more native-run operations;
  - introduction of "economy" products to offer a diversity of products in the marketplace;
  - diversification of the outfitting industry to target, on the off-season, adventure markets while catering to both very upscale and economy fishermen.

o The outfitting industry in Labrador should begin to explore its potential in the adventure market. Establishment of high quality adventure packages, focussed out of the Torngats, the coast and, to a lesser degree, the Mealy Mountains, are a strong opportunity for Labrador.

o The outfitting industry would benefit, as a whole, from a greater level of cooperation in the area of cooperative marketing and packages. To do this, each operator must differentiate itself from other operations and recognize that each operation will benefit over the long term. Further to this, the outfitting industry should be actively represented in any Labrador-wide tourism industry organization.

o As the Labrador Outfitters Association is now considering, there is considerable merit in the hiring of a marketing representative for the association; this to assist in the cooperative marketing of all member outfitters. With time, the association or its individual members should work with airline carriers and, ideally, the province to establish all-inclusive packages as is being done in Arctic Quebec for example.

4. **Capitalize upon the opportunities which will emerge from road development into the area.**

o The road link to Labrador West can be capitalized upon by working together with that area's development cooperation with the objective of encouraging motor coach and FIT packages which include both areas in their itinerary.

o Over the longer term, it will be important establish stronger linkages with the Coast and Red Bay to establish multi modal trips of the area, i.e., train/bus/car to Labrador West, road to Churchill Falls and Happy-Valley-Goose Bay, air/boat to Coast etc.

o The ferry connection to the coast could be improved to stimulate water-based access into the area although the trip remains relatively long. Improvements could include improved carriers, introduction of new itineraries and on-board activities as well as allowing non-resident bookings of the service. This would entail a change in philosophy by the carrier i.e., Marine Atlantic.

- There will be a need to provide hospitality services along the road to Labrador West.

- Area development corporations/associations should work together to promote Labrador as a unit distinct from the Island. The Lake Melville area will receive the greatest benefit, over the long run, as it will jointly benefit from Labrador West's unique rail position, the resources of the north and the heritage and cultural resources of the Red Bay area by nature of its central location and access.

- Because of this long term objective to be part of a Greater Labrador route, it will be important for Central Labrador to position itself differently from the rest of the area.

- It will be very important for all communities in Labrador, as well as the various sectors of the industry, to work together in the form of a Labrador-wide tourism organization.

5. **While building the above markets, continue to maintain the current markets now visiting the area.**

- Provincially/regionally generated markets will continue to be an important means of travel to the area. By developing and marketing products which have appeal to regional markets in a year-round basis, the area can achieve economic benefits. Such actions as promoting special events, regional packages and day trips out of Happy Valley-Goose Bay can maintain this market in the future and establish an image for the area in the marketplace.

6. **The appeal of "The Goose" can be capitalized upon.**

- It is important for a destination to have a unique slogan or trademark to create image and recognition in the marketplace. The 'Goose' has already been popularized by the military and provides unlimited opportunity for creative marketing and product development.

7. **To implement the above, a strong and well defined organization will be necessary.**

o Organizational efforts will have to be twofold: firstly, to create a strong regional organization and secondly, to build a strong Labrador-wide organization within which Central Labrador will be represented. Given the fact that Central Labrador's success hinges on the rest of the region's activities, without such a Labrador-wide effort, our study area will not achieve maximum benefits.

o Looking more at Central Labrador's own organization:

- The organization should have a good understanding of its role and relationship with other organizations in the area. Duplications and gaps in the system should be defined and accommodated.
- The organization must have representation from all sectors of the community including outfitters, the military, accommodations, transportation, retail and, for the purposes of packaging regional resources must have some affiliation with more distant community groups as possible. Both public and private sector representation is necessary.
- The organization should take a strong role in the areas of initiating/stimulating appropriate product development as well as undertaking hospitality awareness, research projects and promotion and liaison with other similar organizations.

8. **In order to generate strong representation from native groups in Labrador's north, and in order to capitalize upon the resources of the northern/coastal region, it will be important to initiate a community-based tourism development process in these areas.**

o This process will acquaint residents with an understanding of, for example:

- the potential value of tourism to their communities
- the different ways they can become involved in tourism-based opportunities
- the expectations of the tourist
- the motivations underlying tourist interests in visiting their community

- The past experiences of other remote destinations indicates that undertaking this type of project is the only way to successfully introduce tourists to the smaller native communities.

9. **Labrador as a whole must establish an image for itself in the wider international marketplace.**

- The study area, by virtue of its location will benefit from Labrador's overall success in the marketplace.

- To establish an image for Labrador:

  - It will be necessary to differentiate Labrador from the general Newfoundland product.
  - It will be necessary to establish a separate organization to market and sell Labrador as a destination.
  - The establishment of a national park would be very desirable. Such a feature establishes immediate recognition in overseas markets, gives the traveller a level of comfort in the destination and, therefore, has the power to generate tourist visits into the region.

4.3 Long List of Development Opportunities

Based upon the assessment of strengths and weakness outlined earlier in the report and the strategic approaches which were presented in the previous section, a series of opportunities are presented in Table 4.1. It is unrealistic to assume that all of these opportunities can be accomplished in the short term, therefore it will be necessary to priorize opportunities so that development effectiveness is maximized.

The next section of the report will priorize these opportunities and provide further details on those projects identified as being of "high interest".

TABLE 4.1

SUMMARY OF DEVELOPMENT OPPORTUNITIES

1. Product Development

Product development is focused upon a) positioning the Lake Melville area as an access, service and orientation hub for Labrador and b) generating day trip activity in/around the area e.g., military markets, business markets etc.

*1. Consider the development of a small military interpretation centre, either as a separate attraction or as part of a larger centre designed to acquaint and educate the visitor with the surrounding region in a participatory and interesting way.

A military centre could include: a presentation of the history of the base and settlement of Happy Valley-Goose Bay, a history of aviation in the area, profiles of famous military flyers, explanation as to the reasons for low level flying, simulation of flight and cockpit control, terrain following radar, etc. The Canadian Forces and/or NATO could be encouraged to be jointly involved in the development,and assist with the operation of such a facility with the objective of generating good public relations as a "corporate" citizen of the community.

*2. To complement such a centre and create an overall military attraction, consider undertaking the following:

- establish guided bus tours of the base area (where appropriate)
- formalize the annual air show
- establish a designated jet viewing area.

* Development Opportunity is described in greater detail in Section II or Report.

*3. As part of a centre and to create added appeal, consider the development of a small '1945 Canteen and Officer's Club' with a strong military ambience, big band music, uniforms, etc. Such a venture could be privately operated.

*4. As part of the military centre, or as a separate attraction, consider development of a small visitor interpretation centre. By way of a series of pods, this centre could creatively introduce the visitor to Labrador's geology (e.g., Labradorite), history (e.g., the Hubbard expedition) flora and fauna (e.g., George River Caribou Herd) and its diversity of cultures.** Ideally such a centre should have other elements of participation and should be designed for portability so that it can be utilized in promoting Labrador at trade shows, placed in rotation at museums, etc., to generate interest in the area.

5. To link with the above centre and to create a wider base of attractions in the area, erect a series of landmarks with associated information plaques in the area, examples being:

o more aircraft displays
o a statue and beacon at Buck's Landing
o Uncle Bob Michelin's Berry Picking Patch
o scenic viewpoints

6. Initiate a community identity development campaign, designed to visually create a series of individual "communities" or neighbourhoods within the immediate area of Happy Valley-Goose Bay. The objective of visually separating the communities of the Northwest River, Gosling Park, Happy Valley, Goose Bay, Spruce Park, Hamilton Heights, Sheshaishiu and Mud Lake is to create an impression for tourists that they are visiting a number of destinations in theatre rather than just one community. This is especially important given the lack of a central downtown core or shopping area.

** The Happy Valley-Goose Bay area is ideal for such a project as it is the central entry or jumping-off point for the northern region.

This program could be initiated by Community Councils and/or Tourism Associations or, each community could establish a community development group with the mandate for creating a special entry sign and parkette encouraging the development of a unique flavour for the entrance of their community.

*7. Develop a stronger day trip destination at Northwest River by:

- developing a small number of cabins near the water
- exploring the viability of reactivating the cable car into the community
- continued development at the local crafts industry through expansion/upgrading of the existing craft store on the waterfront. Consideration could be made of establishing a Labradorite jewellery outlet where custom made orders could be taken and where visitors could watch jewellery being made.
- establishing a small number of interpretive signs, exhibits as part of the above developments to illustrate the heritage of the community.

8. Support the development of a high quality crafts centre in Happy Valley-Goose Bay which is currently being considered. Where possible such a centre should include a place to have a coffee and meet with local artisans as they work on their craft. In this way a retail outlet can become more of an attraction to tourists.

9. Explore the opportunity or introducing tour boat activity on local lakes and rivers. If this is feasible, develop one and multiple day packages for local visitors, packaged fishing trips by boat, etc.

10. Support the proposed development of a sightseeing plane in the area. Outfitting a twin otter to carry out tours of the region can encourage day trips out of the area and would appear to be a feasible operation given the successes of similar ventures elsewhere, e.g., Fort Simpson, N.W.T.

11. Establish a summer wilderness camp for children. Initially such an endeavour could focus on Atlantic markets but then expand to appeal to more distant markets. Such as a camp, perhaps located at Gosling Park or deeper in the 'wilderness', should be a version of an 'Outward Bound' Labrador adventure for youth aged 11 to 18 to differentiate it from other existing summer camps in the area. The camp would emphasize personal development through wilderness adventure.

12. Once the Labrador West-Lake Melville road is completed, establish necessary road services i.e., gas, food along the route.

13. Continue to lobby for the development of a road link between the Lake Melville area and the Coast i.e., Red Bay area.

14. Support the development of a high quality wilderness lodge on the Labrador Coast to cater to adventure travellers from the U.S. and European markets. This lodge could be modelled after unique and high quality operations such as Hazen Lodge or Ram Plateau facilities.

15. Support the development of new or expansion of existing high quality fishing camps in the region when occupancy levels warrant increased development, i.e., over the longer term. Where possible, outfitters should begin to diversify their activities in terms of activity and seasonality to expand their operations e.g., adventure, canoe trips, etc. At the present time promotion should take precedence over development.

16. As discussed under marketing, there is opportunity to capitalize upon the appeal of 'The Goose'. In association with this approach, establish a series of specialty 'Goose' products which are only available locally and can be used in the promotion of the area. Examples of the diverse range of products, which could be considered, include:

- Goose Juice (locally brewed beer)
- Goose Bay pate (Goose or Caribou)
- Pickled goose eggs
- Goose recipe book

- Commemorative stamps
- Native goose down quilts
- Gooseberry jam, pie, wine, cordial

17. Develop foreign specialty services designed to appeal to the European transient pilots as possible, examples being:

- a foreign bookstore and newspaper stand
- a European delicatessen

These projects will likely become more viable if a NATO development is put in place.

18. Continue to work toward the further development of Gosling Park as a recreation zone for the Lake Melville area. The ski area would be attractive to provincial markets through the development of a series of innovative ski packages, as well, this recreation area has appeal to the local military market on a year-round basis.

19. A national park is an important element in establishing an image for a destination in the wider marketplace, an example being Auyittuq National Park in Pangnirtung. Development of a national park in the Torngats would have significant influence on Labrador's marketability and would greatly influence the travel generating potential of the region.

The establishment of (a) provincial park(s) at Grand Lake and/or the Mealy Mountains will have significance to regional and provincial markets, less so for international markets.

20. Encourage the provision of high quality boat tours/trips into the area, this to allow multi-mode transportation packaging to occur, i.e., Lewisporte to Goose Bay, Goose Bay to Coastal Labrador and St. Anthony to Goose Bay on local lakes and rivers. Given the length of these trips, the market for such activities will be small. To be successful the transportation service should be of high quality, the itinerary and on-board activities must be interesting and the service must be marketed to out-of-province markets.

21. Work toward establishing Churchill Falls as a mini-destination or stopover between Labrador West and Happy Valley-Goose Bay. The hydro electric project has the greatest opportunity to be capitalized upon as a local attraction as is the case of the Manic 5 dam on the road to Labrador West from Quebec.

2. Special Events

Special events are most important in their ability to generate wider exposure and publicity for the area. By orchestrating high profile media events to generate an international image for Labrador, the area will experience, over the longer term, visitation benefits.

1. Continue to build upon the existing event schedule in the area with the objective of offering a variety of unique Labrador events, spread throughout the year. For an event to be marketable to the wider region it must offer elements to appeal to all market groups i.e., food, music, entertainment, children activities, etc. As events become popular, begin to introduce special packages which incorporate the event in them. For example the existing Winter Carnival offers good opportunity to be packaged as part of a ski package to Snow Goose. Other events with potential for further growth include the Beach Festival and the Canoe Regatta.

2. An opportunity for a new event would be establishing an annual competition between Goose Bay and Gander, building on the 'Goose' theme. The 'Goose Games' could occur in winter or summer and would encourage cross-travel between the two communities and, over the longer term could appeal to the wider provincial market.

3. There is opportunity to establish a special 'Return to the Goose' celebration in the local community. Such an event, perhaps held every five years should be accompanied by a major publicity campaign. Target markets could include the military (U.S. and Canada), legions, military-related associations, etc. The event could include many variety of activities including base tours, airshows, gala evenings, tours of the military centre, 'USO' shows etc. To make the event unique to the community, retailers should be encouraged to sell specialty products in support of the event i.e., T-shirts, hats, posters, etc. To encourage continuity of the event, a permanent committee for the festival should be considered.

4. As with the above, there is opportunity to host a second major event, perhaps every five years in support of Dr. Grenfell, this event focused in Northwest River and environs. This event would be, in effect, a 'building' of the current Beach Festival. Again, to have wide market appeal this event must include a variety of components and cannot only be limited to historical elements. For example, a show focused around native crafts,

dance, food, etc., would be of great interest to tourists and local residents and would allow the coastal communities to become involved in such a celebration.

5. Wherever possible, seek sponsorship for events and their promotion, by appropriate organizations.

6. It is important that, as new events are "brought on stream" and existing events expand, event scheduling throughout the region is coordinated and marketed. The local Tourism Corporation, perhaps through an events committee, should establish an annual/seasonal listing of events in the area which can be coordinated/distributed with provincial and regional marketing material.

3. Packaging

Packaging opportunities focus around maximizing the potential of Labrador's resources to the Lake Melville area as well as generating more day trips in and around the local area.

1. Develop a series of low cost group and individual packages to encourage transient pilots to utilize area resources. Packages could include fishing trips, weekend getaways to cabins at Northwest River, canoe or houseboat trips, day tours or weekend tours to Porcupine Strand, Cartwright, the Mealy Mountains, Churchill Falls, etc. Such tour packages could, once they are in place, be made available to other tourists to the area.

2. Continue to work toward developing a series of true wilderness adventure packages which could operate out of the Torngats and the coast. Such packages could include hiking tours, photography tours, sea kayaking, etc. To be successful, a known wilderness photographer or mountain climber could be approached to lead a package. It will be important to link up with wholesalers specializing in adventure products in both the U.S. and Europe. Development of a high quality wilderness lodge can complement this activity as a base for adventure tours.

3. Establish a cooperative marketing campaign between the fishing outfitters in the area, ideally this with the support of public agencies and transportation carrier(s). Marketing should be focused around illustrating the variety of different product ranges available in the area and could target both individual and group travellers, the latter including corporate incentive clientele.

4. Work with the Labrador West tourism development association to create a series of motor coach and independent packages which include both communities in their itinerary. Such a trip could, from Labrador West include a stop at Churchill Falls, a trip to Northwest River and its craft shop, a tour of the military centre, 'Labrador' dinner at a local restaurant and a visit to the 'Officers Club' or packaged around a summer event in the area. Over the longer term packages could include a trip to the Red Bay site.

5. Develop a series of winter packages in the area, including:

   - A ski package, either to Snow Goose Mountain or to both Snow Goose and Smokey Mountains. This package should be marketed to the St. John's and Cornerbrook market, ideally through ski clubs and shops.

   - A Labrador winter package, including alpine and cross-country skiing, nordic skiing, snowmobiling and dog sledding.

   - Heliskiing, snowmobile safaris and winter trekking.

   In all cases, for the package to be of interest, it must be unique e.g., include a 'boil-up', a special dinner, a race, etc. Packages could include airfare, accommodation, equipment rentals and meals.

6. Develop a series of packages in support of major events e.g., 'Return of the Goose' package could include a tour of the base, a fishing trip, complementary 'Goose' souvenirs and a souvenir booklet.

7. Establish a series of 'mini-packages' designed for the business traveller coming into the area; i.e., when a booking is made at a local hotel, a brochure is provided which outlines all the local trips and attractions which are available, e.g., one day fishing trips, sightseeing tours, etc.

8. Encourage packaging efforts with the airlines to introduce special weekend excursion rates, seat sales, etc.

4. Marketing

Key target markets for the Labrador and the study area are:

a) Fishing - U.S. and European markets
b) Adventure - U.S. and European markets
c) General interest touring - U.S. markets, Labrador West tour market
d) VFR travel - provincial markets
e) Skiing - provincial markets
f) Military related - local, Canadian and U.S.

Marketing and development should be directed at both individual travellers (accessed through wholesalers for the most part) and group travellers (accessed through wholesalers, incentive travel houses, corporations and associations).

In all cases marketing must be done to a) establish Central Labrador as a service/access hub for Labrador and b) to establish Labrador as an exotic destination. Promotional literature should be prepared to illustrate the tourist resources of the area which then will be included in any larger Labrador-wide promotions.

1. The study area should be promoted as Central Labrador or Labrador Central rather than the Lake Melville area. This has greater appeal to outside markets (particularly European) and establishes an immediate geographic understanding of the area.

2. Utilize the appeal of 'The Goose' in the marketing of the area, incorporating it in promotional literature where suitable.

3. Encourage the wider distribution of the area's unique resources such as Labradorite as publicity for the area.

4. As an integral part of any trip to Labrador, Central Labrador should participate in any Labrador-wide promotion, positioning the area as the gateway to the coastal area and the north.

5. Encourage the development of a coffee table publication on Labrador, again to create broad publicity of the area as does the book on the Kluane, for example.

6. Undertake a signage improvement program in the area, perhaps as part of the community project discussed earlier. At minimum, clear directional and 'welcome' signage should be developed for entry points, i.e., the airport, ferry, road, etc. Signs should be unique to the area but professional in quality.

7. Prepare a high quality map of the Central Labrador/Lake Melville area, as presently being initiated by the Mokami Regional Development Association. Maps should be distributed free of charge, as should all promotional literature. Financing of projects can include, where suitable, advertising by hospitality operators, transportation carriers, etc.

8. Establish a self-directed tour of the area, e.g., a map and/or tape of the area which locates and describes the points of interest. This will introduce the tourist to all there is to see and do in the area, thereby possibly extending the length of stay in the area. As well, this would be of interest to local residents who are entertaining friends and relatives in the area.

9. Initiate a local campaign to encourage local residents to become involved in generating new visits to the area, i.e., invite your friends, sponsor a meeting, tell your relatives about an event, etc.

10. Independent outfitters should continue to undertake their own marketing programs which include trade show attendance, specialty advertising, etc.

11. As is currently being considered, the Labrador Outfitters Association should hire a marketing manager based out of the U.S. to sell the organization's members. Such an individual, in addition to attending trade shows, etc. on behalf of the membership would have a role in acting as a sales agent for the organization.

12. In addition to the group marketing activity outlined above, direct independent and cooperative fishing packages and adventure packages to U.S. based wholesalers for individual and group purchase, the latter possibly as part of an incentive program. To target European markets (i.e., Germany and France) they must be accessed through specialty wholesalers in these market areas. The latter would require the assistance of Tourism Canada.

13. If the NATO base is implemented, begin to liaise with the base with respect to proposed direct flights from Germany and Holland. Begin a program with the Federal Government to work with outbound wholesalers and airlines in these markets, specifically in introducing fishing and adventure packages to individuals and corporations (as incentives).

14. In support of the military centre, target promotional literature and packaging to legions and flying clubs in Canada and the Untied states.

15. Invite and host a number of travel writers and familiarization trips to introduce key wholesalers and visitors to the area e.g., fishing publications and wholesalers, adventure publications and wholesalers, wholesalers presently visiting Labrador West. As well, given the large amount of publicity with the advent of a NATO base installation, it will be important that the tourism industry is well represented as part of this activity.

16. Consider the establishment of a student cultural exchange program with European countries flying in to the area. This will create publicity in target geographic areas. This could be, for example, tied in with the development of the wilderness camp for children.

17. In an effort to develop a strong and large local workforce, institute a local publicity campaign promoting hospitality as a viable career, acknowledging the value of tourism, etc. This may be part of a wider provincial effort in this regard.

5. Organizational

Organizational opportunities are twofold: The development of a strong regional tourism organization and, critical to the success of the plan, establishment of a Labrador-wide organization.

*1. Establish a Labrador-wide tourism development organization called "Destination Labrador" for the purposes of discussion. Such an organization should have community or regional representation (including Central Labrador, Labrador West, etc.,) as well as sectoral representation from the outfitting industry, crafts industry, native groups, etc. Such an organization would have a mandate for generating Labrador publicity and marketing programs and may function as a sales agency for local *operators. The organization would have strong links* with other provincial tourism organizations but would represent Labrador's own unique interests, thereby positioning Labrador as being a distinct destination.

2. Continue to work toward establishing a regional tourism organization which has a clear and distinct role/mandate. The relationship between this and other organizations in the area must be clarified.

3. Establish good relations between the above organization and groups in the wider region so that region-wide packages can be implemented.

4. Liaise with similar organizations in Labrador West, and over the long term, Red Bay to lobby for road development, establish packages and set the seed for Labrador-wide promotions. This would be best accomplished through the development of a Labrador-wide organization.

5. Prepare a terms of reference for, and undertake a, community-based tourism plan for the Labrador coast. Only by involving the local communities can such a plan introduce these communities to tourism, suggest methods of optimizing their tourism potential and explore methods of working with other regions to maximize economic benefits for the whole of Labrador.

6. Initiate a series of research projects to better quantify the level and character of the tourist now visiting the area, i.e., surveys, data base, etc.

7. In particular, given the nature of issues and opportunities discussed in the plan, communications between the military and the local tourism association should be ongoing.

8. Continue to maintain the Provincial Guide training program, now in pace.

6. Policies and Regulations

1. Support the policy of protecting trophy waters in Labrador to preserve the future outfitting industry.

2. Establish regulations that limit the non-regulated use of wilderness resources in Labrador without the services of a local licensed outfitter. This regulation would apply to military personnel out of Happy Valley-Goose Bay as well.

3. Expand the level of enforcement with respect to the above issue.

4. The policy of not allowing satellite camps should be re-evaluated as it impacts the ability of outfitters to move into new markets, e.g., canoe trips, etc. In specific instances, where appropriate, such satellite camps should be allowed if they meet minimum standards established by the industry.

Part Two:
Tourism Development Plan

Central Labrador Regional
Tourism Plan

Marshall Macklin Monaghan Limited
Omnifacts Research Limited

PART II - TOURISM DEVELOPMENT PLAN

5.0 INTRODUCTION TO THE PLAN

5.1 Introduction

The study process to this point has included an inventory and analysis of the tourism resource base of Central Labrador and a market analysis for the product with a focus on a number of specialty markets. This process allowed us to distil key issues relating to tourism development in the area and resulted in the formulation of an overall strategy to guide tourism development and marketing in the future. Presented alongside the strategy, a "long list" of development opportunities were identified.

This section of the report will provide a greater level of detail on those projects which are seen to be of higher priority, this based upon the decisions of the Steering Committee and community input.

This section of the report also provides an overall framework to focus and guide implementation of these priority projects and other activities designed to maximize the tourism potential of the region. Additionally, organizational and marketing guidelines designed to implement the plan are forwarded.

The plan which is presented in this second section of the work program is intentionally broad in scope and flexible in approach, this to meet the needs of both the private and public sectors who will have a role in implementing the plan as well as to allow the plan to respond to unforseen changes which may occur in the future.

5.2 Goals and Objectives of the Plan

The strategic approach suggested for Central Labrador is one in which the area is positioned strongly as an access, service and orientation hub of the greater part of Labrador, while maximizing the opportunities available locally.

Inherent to this approach are the following key objectives:

1. Capitalize upon the strengths of the region surrounding Central Labrador.
2. Generate positive economic benefits locally.
3. Position Labrador as a separate destination from the rest of the Province and the study area as an integral point of entry/departure to this region.
4. Extend the length of time visitors spend in the local community of Happy Valley-Goose Bay and environs.
5. Improve the quality of the experience provided to the visitor in the gateway community of Happy Valley-Goose Bay.
6. Maximize the opportunities afforded by the military.
7. Build upon the success of the existing outfitting sector.
8. Expand the outfitting sector more into the area of adventure travel.
9. Establish strong linkages with other tourism development organizations in Labrador.
10. Protect the natural resources in the region to ensure the long term performance of the outfitting sector.
11. Provide employment and leisure benefits to the local resident communities of Central Labrador.
12. Enhance the marketing which is undertaken in the promotion of the area and its resources.
13. Enhance the organizational effectiveness of tourism promotion and development in the area.

5.3 Phasing and Priorization of Development Opportunities

A long list of development opportunities was provided in Chapter 4 of Part I. These opportunities are further described, priorized and the responsibility for project implementation is assigned in this section.

These opportunities have been assigned priority in Table 5.1. This phasing has been established to match the overall plan for market development in the area. Projects which are proposed for the longer term have been "delayed" until the market grows to a point where such developments could realistically become feasible. The plan provides an overall framework to assist in developing priorities and to keep implementation 'on track'. It is not meant to stifle new ideas which are, at present, not foreseen. Conversely, the feasibility of projects will require detailed financial analysis prior to being implemented on the basis of plan recommendations.

Order of magnitude capital costs are provided where in this section appropriate. Costs (1989 $) have been developed on a standard unit price rather than detailed construction costs which would be impossible to project at this level of planning detail.

Costs are indicated to illustrate the scope of development which is envisioned and will have to be confirmed on a project-specific basis when detailed feasibility studies are undertaken for specific development proposals. Where costs are not noted the pricing of projects was not seen to be appropriate, this given the range of costs which could be considered or because costs are operational rather than capital in nature.

5.3.1 - Description of Projects

Interpretive Centre

Detailed as high interest opportunity in Section 5.4.1.

Landmarks - Plaques

Located throughout the various communities, commemorative plaques can be erected to help create a sense of history of the community. Specific sites, events, or people can be highlighted and can be presented in a variety of forms. Examples of landmarks with associated information plaques could include aircraft displays, a statue and beacon at Bucks Landing, Uncle Bob Michelin's Berry Picking Patch or scenic viewpoints. These sites can be marked with a series of free standing pole-mounted wooden signs or mounted metal plates on boulders. The plaque would give a brief description of the event, site or person with appropriate dates and significance. The plaques should be uniform in design and material and their locations co-ordinated and illustrated on a touring map. These plaques can be sponsored by local community groups or can be developed by the Tourist Corporation as part of their tourism development program.

The cost of such a program can range from $1,200 each for free standing wooden pole mounted signs to $2,500.00 for more elaborate markers. Costs could be lower if local artisans/craftsmen were willing to donate their time towards the project.

Community Identity Development Campaign

The community identity development campaign is an effort to visually create a series of communities or neighbourhoods within the immediate area of Happy Valley-Goose Bay. The objective of this campaign would be to visually separate the community areas of Northwest River, Happy Valley, Goose Bay, Spruce Park, Hamilton Heights, Gosling Park, etc. By doing so, visitors get the impression of visiting a number of destinations rather than just one community.

This campaign would involve developing a series of "Welcome to ..." signs, for example, that could be located at the entrance to each of the communities. The signs could be the same shape or have some common graphic that would identify the community as being part of the wider region, i.e., Lake Melville area, but through use of logos, graphics or print style introduce the visitor to the 'flavour' of the community. The signs could be wooden or metal with landscaping which would also create a unique entranced to each community.

This campaign could be initiated by the community councils or the local tourist corporation. Other communities in the past have involved the residents by organizing a public involvement-design competition or establishing a community development group. This allows residents to be aware of what is going on in their community and would give them an opportunity to be involved in the development of their community.

The cost of developing and instituting each community identity development campaign could run as high as $2,500 but will vary depending on the materials used, the level of volunteer support and donations and the level of effort required to erect them i.e., labour intensive vs. simple instalment. Signs should be maintained at a high level i.e., repainted each year if necessary.

Day Trip Destination at Northwest River

Detailed as high interest opportunity in Section 5.4.2.

Tour Boats

The opportunity exists to introduce tour boat activity on local lakes and rivers. These tour boats would enhance the image of the area by increasing the number of things 'to do' while visiting. These tours would be daily excursions to surrounding communities with possible future tours to the coast. The co-ordinated one-half to one-full day trips could accommodate 8-10 passengers including a tour guide and would run during July and August. Packaging of the trip could include photography tours, picnic lunches and visits to historical sites. The opportunity exists to develop packages for local visitors or shorter packaged fishing trips, i.e., afternoon or day trips. The boats could be operated by the private sector and could operate out of the dock area or Gosling Park as an additional activity carried out there. One boat would be introduced initially with a second put in operation if demand for another tour boat is exhibited.

The cost of putting one tour boat into operation is estimated at approximately $65,000.

Sightseeing Plane

The development of a sightseeing plane would offer yet another new, exciting venue for visitors who come to Central Labrador. Operated as a private enterprise out of Goose Bay Airport, this service could involve excursions of varying length. Full day, half day or hourly tours could be arranged for air tours of the Lake Melville area, the Mealy Mountains, the coastal region and the Torngat Mountains. There has already been some interest in this venture with research into a bubble conversion of a twin otter plane.

It is estimated that such a conversion would be in the range of $150,000. This price does not include operating and maintenance costs.

Summer Wilderness Camp

This summer camp for children would offer alternative "wilderness" experiences for children, similar to the Outward Bound programs. It would be different from existing camps in the area in that it would emphasize personal development through wilderness adventure. Such a camp would consist of a main (unserviced) shelter utilized for dining and administration. Cabins can be available to accommodate 15-20 students, however, tents would be used for the most part. A two to three week stay at the camp will allow students to get involved with such activities as hiking, canoeing, kayaking, fishing and developing basic wilderness survival techniques. The camp base could be located at Gosling Park or deeper in the 'wilderness' and developed by a sponsoring community group or someone from the private sector. The market for such a venture could include children from Atlantic Canada and in particular, European countries have shown interest in participating in such activities already ex. Algonquin Park in Ontario.

Capital costs for development are estimated at $60,000.

Labrador West Road Services

Once the road between Lake Melville area and Labrador West is completed, it will be necessary to develop road services. Private sector developments would include gas/service stations, roadside rest stops and restaurants. These developments could have maps, brochures and guide information available so that visitors may be introduced to the area before their arrival. These services would also serve to make the long drive less tedious. The roadside rest stops could offer washrooms, picnic tables and shade trees for a relaxing stop en-route. Restaurants along the way should offer varying menu choices, e.g., fast food, local menus, etc. and each should be able to accommodate eventual bus tours.

Coastal Road Link

A road link to the coastal region should be pursued. Such a link would provide easy access for a larger market as well as lower the cost of travel to the Lake Melville area. With the development of this road link would come the development of necessary road services and allow for increased air and auto packages between Happy Valley-Goose Bay and Red Bay, for example. Co-operative marketing strategies could be pursued with package tours being developed i.e., an auto tour of Labrador West - Central Labrador - The Coast including accommodation, local tours, regional sightseeing adventures, etc.

Wilderness Lodge

The development of a high quality wilderness lodge on the Labrador Coast would cater to the adventure traveller from the U.S. and European markets. The Lodge would have a rustic flavour yet offer quality, all inclusive accommodations and services. Located on a lake or river, or in a scenic location, the Lodge can have cabins which offer sleeping quarters, electricity, showers and bathroom facilities. A main lodge would have a dining room, lounge/bar and could have facilities for small meetings. The Lodge should accommodate up to 15 guests and could offer a variety of wilderness activities such as fishing, hiking, shore lunches, photography, climbing, etc. Fishing tackle, boats, licences and other items could be obtained on a daily basis at the lodge for those wishing to fish. Flying in from Happy Valley-Goose Bay will allow easy access and the opportunity for co-operative marketing and promotional activities between this lodge and other attractions, lodges and outfitting operations.

The costs of planning and building such a facility would be, at minimum, $450,000.

New Fishing Camps

Based upon our estimates of current volumes of tourists into the area it would appear that the development of new camps in the area is unwarranted at the present time. Rather, increased promotion and improved facilities (where necessary) at existing camps is more critical to improving the outfitting industry. Development of new camps should be seen as a longer term priority.

Goose Products

In association with the opportunity to capitalize upon the appeal of "the Goose", a number of specialty "Goose" products which are only available locally, can be used in the promotion of the area. Some of these specialty products might include native goose down quilts, gooseberry jams, pies, cordials, goose juice (locally brewed beer) and a Goose Bay commemorative stamp. These projects could be produced locally and made available at (a) specialty store(s) or through souvenir shops, the Interpretive Centre or other retail outlets. Associated promotional material could be developed which would have distribution throughout the Atlantic provinces i.e., as those for Newfoundland Screech. These promotional efforts would give Central Labrador more provincial exposure in the short term and would have the potential for greater national exposure for Happy Valley-Goose Bay through the issue of a commemorative stamp by Canada Post. These products would be produced by the private sector but these producers could get involved with advertising and promotion campaigns with the local tourist corporation.

The costs for such projects would vary according to the type of products which are produced.

Foreign Specialty Services

These specialty services would be designed to appeal to the European transient pilots. The large European transient population in Happy Valley-Goose Bay for training during the summer months should support such services as a foreign bookstore/newspaper stand or a small European delicatessen. These services would be located near the Interpretive Centre and hotels so that the tourists staying here could have access to a different and interesting shopping experience. The actual space allotted for these services would not have to be expansive and could operate only on a seasonal basis. Full time operation of these services will likely be more viable if the NATO development is put in place.

Gosling Park

Detailed as a high interest opportunity in Section 5.4.4.

National Park

Development of a National Park would have significant influence on establishing an image for Labrador and its marketability. The Department of Development and Tourism along with any Labrador-wide Tourism agency should continue to lobby for designation of a National Park area in the Torngat Mountains. A secondary opportunity could be Mealy Mountains but this would have less significance to longer haul markets. These agencies should secure funding and provide guidance for the preparation of feasibility studies, consultations and eventual agreements with the appropriate provincial and federal government bodies as part of the National Park planning process. Once established, Labrador would benefit from the national exposure and inclusion into the Park system and would help to create a separate identity for Labrador.

Boat Access

Accessing Central Labrador by boat provides an alternative and interesting means of transportation for visitors to the area. Proximity to water and the varied coastline present many scenic and tour route opportunities. The opportunity exists to develop all-inclusive cruise packages which would include transportation, accommodation and touring for one price. This can be accomplished through development of existing services i.e., more vessels, increased scheduling, more advertising, etc. As this opportunity would require high capital and operating costs to run and maintain vessels, the focus of this development opportunity would be undertaken in the longer term.

Churchill Falls - Day Trip Destination

The opportunity exists to program/package Churchill Falls as one stop on a tour route and as a day trip destination from the Lake Melville area. Such opportunities would include the development of craft/souvenir sales, tours of the worlds largest Hydro Electric Plant, special events, packaging with the Northern Lights Ski Club, etc. These development would be focused in the short term upon completion of the road between Churchill Falls and Happy Valley-Goose Bay. In the long term, large scale development of facilities such as accommodations, dining opportunities, attractions and road services could be undertaken.

Labrador Coast Tourism Study

This study has reinforced how important the resources of Labrador's coast are in selling the region to long-haul markets. The scenic, human and historic elements of the coast make it a unique opportunity to be capitalized upon. In order to begin to involve the coastal communities in the tourism industry, it will be necessary to undertake a comprehensive community-based tourism plan which focuses upon involving, educating and motivating residents to become involved in the process.

The cost for undertaking such a study would likely approximate $120,000, dependent upon the scope of the study and the amount of community involvement which is desired.

5.4 High Interest Opportunities

Four projects were selected by the Steering Committee as being of 'high interest' and are described in greater detail in the following section. They include:

- Labrador Interpretation Centre
- Northwest River Day Trip
- "Destination Labrador" - Labrador's Marketing Agency
- Gosling Park
-

TABLE 5.1
PHASING OF DEVELOPMENT PRIORITIES

Opportunity	Responsibility	Capital Costs	Priority (years)		
			1-2	3-5	5-10
PRODUCT DEVELOPMENT					
Interpretive Centre *					
• Complementary services	• Public Sector with Military	$ 802,000	X		
▸ guided bus tours	• Local tourist corporation and military interests			X	
▸ formalize air show				X	
▸ designate jet viewing area			X		
• Development of 1945 canteen/lounge	• private sector	$ 75,000		X	
Landmarks/Information Plaques	• local community groups • local tourist corporation	$ 1,200 each assume three	X	X	
Community Identity Development Campaign	• community councils • local tourist corporation	$ 2,500 per community assume $15,000	X		
Northwest River Day-trip Destination *	• private sector • community of Northwest River/ Shesheishiu	$ 465,600	X	X	
Local Tour Boats	• private sector	$ 65,000		X	
Sightseeing Plane	• private sector	$ 150,000		X	

* Denotes development as a high interest opportunity detailed in Section 5.4.

TABLE 5.1

PHASING OF DEVELOPMENT PRIORITIES
(continued)

Opportunity	Responsibility	Capital Costs	Priority (years)		
			1-2	3-5	5-10
Summer Wilderness Camp	• community groups • private sector	$ 60,000			X
Labrador West Road Services	• private sector	N/A		X	X
Coastal Road Link	• local tourism corporation • Labrador Tourism Association	N/A	X	X	
Wilderness Lodge	• private sector	$ 450,000		X	
New Fishing Camps	• private sector	N/A			X
Goose Products	• private sector • local tourist corporation	Assume $10,000		X	
Foreign Specialty Services	• private sector	N/A			X
Gosling Park*	• Options include: - Provincial Park operation - Private/Semi private sector - Public sector - Committee	--	X	X	

TABLE 5.1
PHASING OF DEVELOPMENT PRIORITIES
(continued)

Opportunity	Responsibility	Capital Costs	Priority (years)		
			1-2	3-5	5-10
National Park	• Parks Canada • Dept. of Tourism & Development • Labrador Tourism Corporation	N/A		X	
Boat Access	• Marine Atlantic • private sector	NA		X	
Churchill Falls	• local tourism committee • Town of Churchill Falls • Hydro Electric interests	-		X	
SPECIAL EVENTS					
Expand/Improve Existing Events	• Event committees		X	X	X
Goose Games	• Labrador Tourist Associations • Community groups			X	
Return to the Goose	• Event committees • Military interests			X	
Event Co-ordination and Promotion	• Local Tourist Association		X	X	

5.4.1 - Interpretation Centre

5.4.1.1 - Rationale

Happy Valley-Goose Bay is the business transportation and administrative centre for the whole coastal region and the major service and distribution centre for all of Labrador. With an estimated 34,500 persons passing through the Lake Melville area, an Interpretive Centre would be able to educate the visitor about major aspects of the surrounding area and encourage visitation into the wider region as well as providing an interesting experience for local regional residents.

As outlined in the market analysis, over 80% of both resident and non-resident arrive by air. The majority of the resident trips were for pleasure (38%) while 44% of non-resident visitors were visiting friends and relatives. The centre could creatively introduce these visitors and residents to Happy Valley-Goose Bay as well as the surrounding region with respect to its history, people and natural resources.

The focus of the centre on the military activity at Goose Bay both historically and in the future would itself make this a unique and interesting attraction. However, with the addition of other themes it will act as an even more valuable attraction for the region.

While there is merit in providing smaller interpretation facilities in a number of communities, combining a number of sub-themes at one location will create a stronger attraction and reduce overall operational costs. This is not to say that small scale interpretive signs and exhibits cannot be put in place elsewhere (e.g., Northwest River) but these would be of a smaller scale when compared to the interpretive facilities at the main interpretation centre in Happy Valley-Goose Bay.

While this attraction is discussed as a single entity in this section, there is merit in considering the development of such a facility in association with other needed community facilities, e.g. Crafts Centre, Arts and Culture Centre, office space and outdoor activities where they are complementary in nature. This affiliation, in addition to creating a certain level of 'critical mass' may assist in offsetting operational costs of the Centre and/or provide a basis for project funding.

5.4.1.2 - Objectives

The development of an Interpretive Centre in Happy Valley-Goose Bay would serve to stimulate increased visitation throughout the region, extend the length of stay of visitors and expand visitor awareness concerning Labrador. Specifically, the Centre would operate given the following objectives:

i) to introduce a new high-quality attraction into the area to increase the number of things for visitors to see and do;

ii) to profile all aspects of the region as a unique destination;

iii) to increase the length of stay of visitors to Happy Valley-Goose Bay;

iv) to increase the level of visitation to the region by both resident and non-resident visitors;

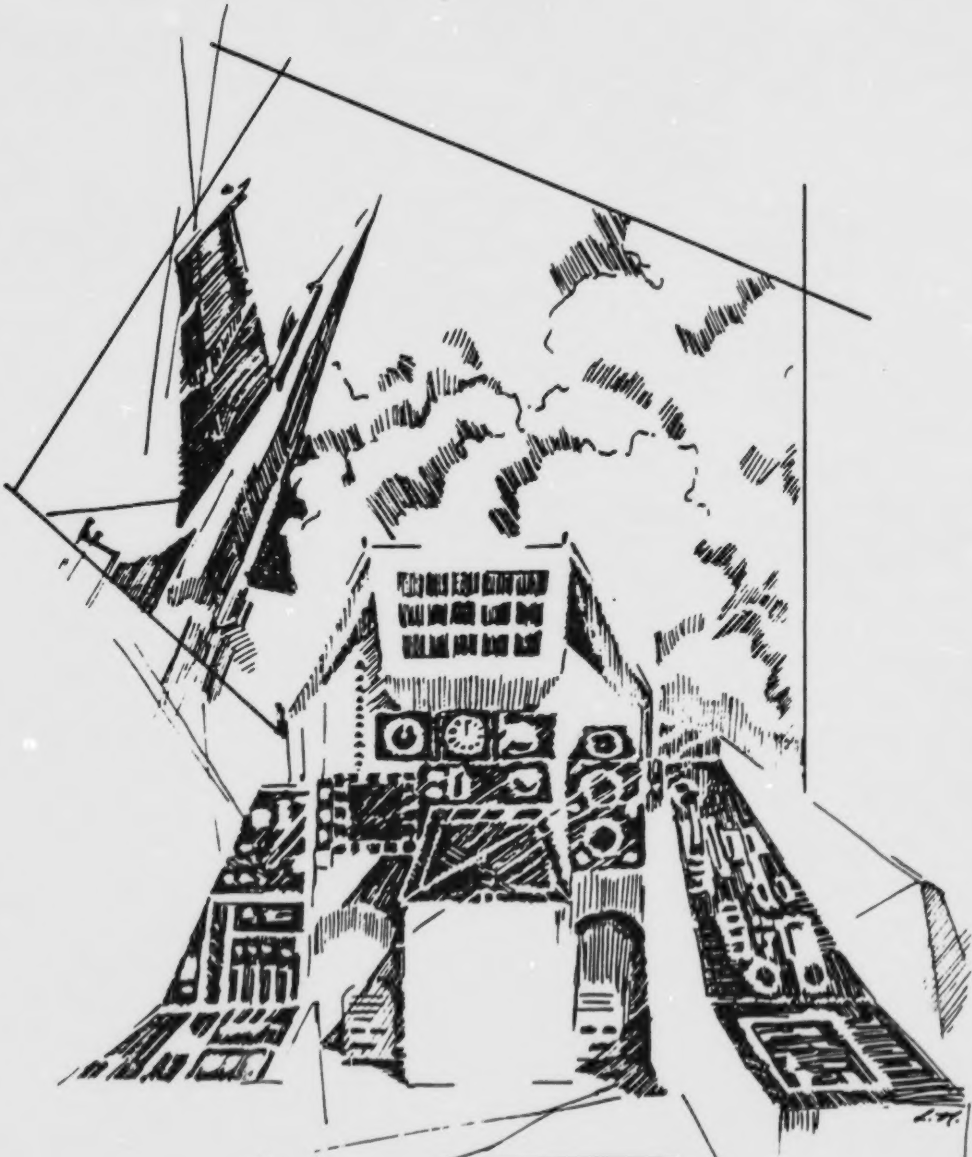
v) to encourage increased expenditures by visitors to all parts of Labrador; and

vi) to promote Happy Valley-Goose Bay as the 'hub' or jumping-off point for visitation to Labrador.

5.4.1.3 - Product Components

Interpretive Themes and Activities

The Central Labrador Interpretive Centre will introduce visitors to the services, attractions and activities in Happy Valley-Goose Bay and the surrounding region. As such, the Centre



Military Exhibitry

would feature a combination of interpretation of four themes: i) The Military, ii) Natural History, iii) Human History and iv) Today and the Future.

I) The Military

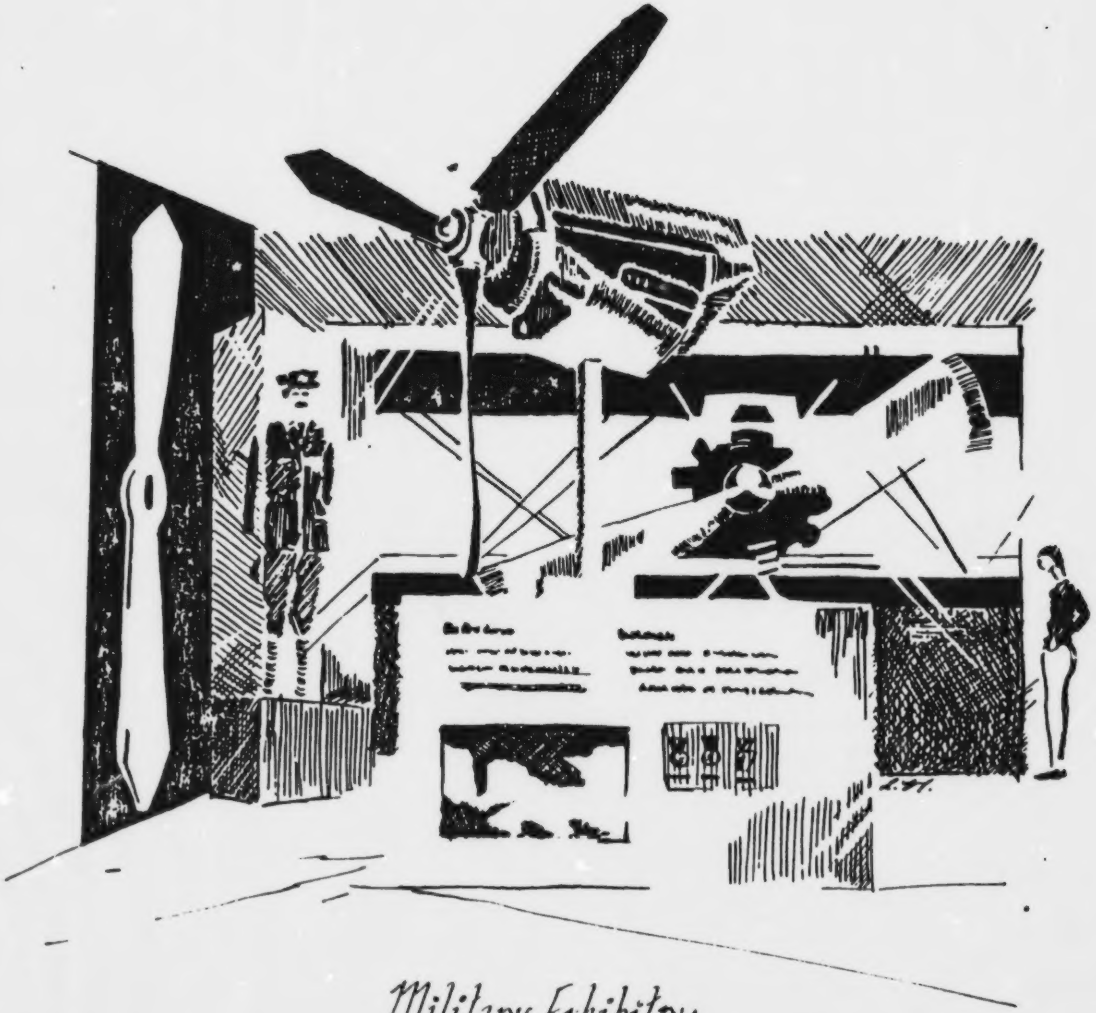
The military has played an important role in the development of Central Labrador since the inception of CFB Goose Bay in 1942. The area's military history is an interesting one as are the present low level flying activities which are currently occurring at the base. The future may be even more exciting with the development of the NATO Training Centre with its space age aircraft and technology. The opportunity exists to profile the past, present and the future of the military in Happy Valley-Goose Bay in such a way as to educate and entertain visitors.

This can be done by various means. A permanent exhibit gallery and/or audio-visual presentation can profile the history of aviation in the region generally and the history of the base in particular. World War II memorabilia and profiles of famous military flyers could also be displayed. To educate and entertain visitors, the present low-level flying activities can be explained and demonstrated by means of an audio-visual presentation. Visitors could experience flight in an F-18, manoeuvres from cockpit or learn about the use of terrain following radar.

In addition, several other initiatives could be undertaken to create an overall military attraction. These include:

- guided bus tours of base area (where appropriate)
- formalize annual air show
- establish designated jet viewing area

To create added appeal to the Centre, a small '1945 Canteen/Officer's Club' could be developed. This lounge would have a strong military ambience with waiters-waitresses in uniform, big band music, etc. Such a venture would be privately operated and perhaps developed after the centre itself is completed.



Military Exhibitry

ii) Natural Resources

Some of the most spectacular recreational resources in Labrador are its natural, or wilderness resources. The Mealy Mountains to the south and the Torngat Mountains to the north offer many opportunities for wilderness activities, i.e., hiking, climbing, photography, etc. The many lakes and rivers throughout Labrador also provide many opportunities for activities such as fishing and canoeing. The wildlife resources as well as the physical resources, i.e., caribou, moose, fish, also provide opportunities for consumptive and non-consumptive use. Additionally the geology and geomorphology of the area are also unique and could be profiled. For the many hunters, fishermen, adventure travellers and general interest visitors who may come to Central Labrador, the Interpretive Centre would be a venue for introducing the varied landscape and wildlife. Photographs, brochures and maps of specific areas, i.e., mountain ranges, location of caribou herds, etc., could effectively be displayed to highlight these key resources. A showcase on Labradorite, for example, would serve to stimulate visitors to purchase gift items made of this material.

iii) Human History

Labrador is a region rich with different cultural traditions. The Inuit, Innu and Settler populations which have developed and shaped the Labrador region can be introduced to visitors to the area via the Interpretation Centre. The aspects which make each group unique as well as factors and events which have made the groups work together can be the subject of an exhibit which involves pictures, texts, crafts and examples/highlights of lifestyles i.e., traditional dwelling types, clothing etc. Specific events, sites and people could be profiled with information on where/how/when to see more of these, i.e., Grenfell and Moravian missions, Hubbard expedition, etc. As the hub of activity in Central Labrador, the Interpretation Centre would be an ideal location for visitors to acquaint themselves with the history and pre-history of the area.

Labrador's Natural Resources

iv) Today and The Future

This exhibit would highlight the opportunities available to visitors to experience the rich natural and cultural resources of the area. Information would be provided regarding local recreational facilities and events, the locations and access routes to resources, outfitters and other travel-assistance operators. This information would be presented in exciting graphic and three dimensional formats to spark the interest of the visitor. More detailed information would still have to be obtained through the Centre's staff or other information services.

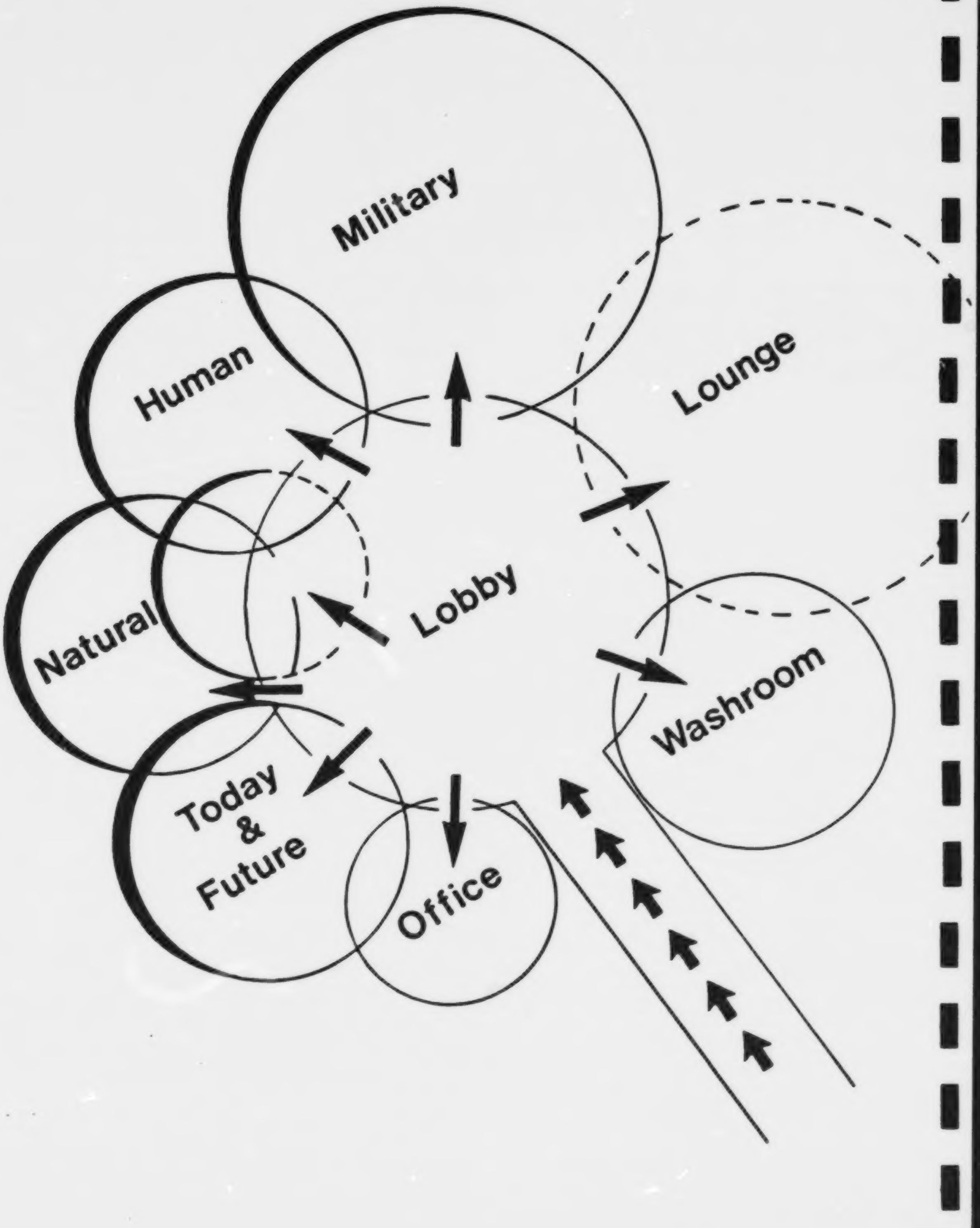
The Interpretation Centre should function as the centre of a network of local and regional tours including the bus tour of the military base.

Space Allocations and Inter-relationships

The inter-relationship of space for the proposed Interpretation Centre is presented in Figure 5.1. The allocation of usable space would be as follows:

Function	**Area (metres^2)**
Foyer	45
Permanent Exhibits	115
Temporary Exhibits	15
Office	15
Washrooms	18
Services	18
Total	**226 m^2**

The foyer would provide a space for marshalling tours leaving for satellite attractions, an information booth, telephones, a seating area and some exhibits.


Military
Human
Lounge
Natural
Lobby
Washroom
Today & Future
Office

Space Relationships of Interpretive Centre

Figure 5.1

The office for the Centre Manager should be located near the entrance to the building with immediate access to the information counter in the foyer. However, it should be possible to close off the office from the counter when it is manned by extra staff in the peak season.

Within the permanent exhibit space, the Military theme component would occupy approximately 40% of the available space (45 m^2) while each of the other three thematic areas would occupy approximately 20% of the available space (23.3 m^2 each). These allocations should be treated as general guidelines; the final exhibit allocation can vary somewhat. However, the general intent of emphasizing the Military theme should be reflected in the allocation of a larger percentage of the available space.

It is recommended that the positioning of the exhibits put the Today and Future component vary close to the information desk as there is a direct link between the type of information provided in the exhibit and the counter.

The organization of the exhibits should allow direct access from each component to the foyer as well as access between each component.

The temporary exhibit area would occupy a space accessible only from the foyer. Although the temporary exhibit space has been allocated 15 square metres of space, it is felt that up to 15 square metres of adjacent space in the foyer could also be used to mount larger travelling exhibits. When not used for exhibits, the temporary exhibit space would become part of the foyer, perhaps being used as a cosy area for seating.

The proposed lounge is situated so as to provide a visual link to the Military exhibit component and an entrance adjacent to the Military theme component. The washroom could be situated as shown to service both the Interpretation Centre and the lounge.

The Service area allocation would include the furnace room, a janitor's closet and general storage space.

Although specific limits have been defined for each functional area, this does not necessarily demand that each area be a distinct room. In a small facility, it is preferable to maintain an open atmosphere for the public spaces. Functional areas can be differentiated through the exhibit furniture.

The maximum comfortable capacity of the public space within the proposed layout would be as follows:

Exhibit Areas:
115 m^2 @ 1.86 m^2 per person = 62 persons
Lobby area:
45 m^2 @ 1.11 m^2 per person = 40 persons

As discussed earlier, if the Interpretation Centre were combined with other community facilities, this would alter the above space allocations on a case-by-case basis.

Operations

The Interpretation Centre would be open to the public seven days a week from 10:00 a.m. to 9:00 p.m. throughout the peak visitor season in July and August. The Centre would operate on a reduced schedule throughout the rest of year, that is, from 10:00 a.m. to 5:00 p.m. Tuesday through Saturday.

There would be no admission charges to the Centre.

The Centre would require a full-time, year-round Manager who would be responsible for the day-to-day administration of the facility, office management, hiring and training of seasonal staff and information services in the off-season. The equivalent of a full-time person would be required during the peak summer season to cover the expanded hours of operation. Seasonal staff would be primarily involved in dispensing information. They would not be required to present indepth interpretive tours of the exhibits although this could occur if time permits at the discretion of staff members (and providing that they are properly trained in guide techniques).

Cleaning and light maintenance services would also be required.

There are a number of options as to how such an Interpretive Centre would be operated; in some cases these management alternatives will depend on which facilities are developed in association with the Center.

Examples of Management Options Include:

1. Operation of the Centre by the Labrador Central Tourism Corporation with the manager of the Centre also acting as an administrative assistant to the organization. Under this scenario, a small office space would be provided for LCTC activities.

2. Operation of the Centre by the Town of Happy Valley-Goose Bay as a municipal attraction.

3. Operation of the Centre in association with other community initiatives, private or public sector in nature. In this case, a Board of Directors would be required to ensure that the interests of all participating organizations are represented.

As the following section notes, in each case the facility will likely generate an annual operating deficit. Option 3 would likely offer the best opportunity to reduce these deficits by introducing off-season revenues, while Option 1 would provide the L.C.T.C. with some operational support and a visual focus for their organization.

5.4.1.4 - Development Costs

The following estimated costs have been based on standard building construction and exhibit fabrication costs. All costs are given in 1989 dollars.

Building Shell			
(226 m^2 plus 15% for walls, electrical and mechanical systems)			
260 m^2 @ $1,400 m^2 1)	=	$364,000	
			$ 364,000
Exhibits			
Permanent			
10 m^2 @ $4,000/$m^2$ 2)	=	$ 40,000	
105 m^2 @ $1,650/$m^2$	=	$ 173,250	
Travelling Exhibit budget 3)	=	$ 20,000	
			$ 233,250
Site Development and Parking			
10% of building Capital Costs			$ 36,400
Professional Fees			
15% of building, site and exhibit costs			$ 95,050
Sub-Total Cost			728,700
Contingency (10% of Sub-total)			72,870
Total Estimated Cost			**$ 801,570**

Notes:

1) Building construction costs are based on the low average cost for museum buildings. The low base figure was used on the grounds that the Centre will be using primary graphic or replaceable modern objects in its displays and will not require the controlled environmental conditions typical of a museum housing delicate irreplaceable artifacts.

2) A portion of the Military exhibit component (10 m^2) was costed at a higher rate to reflect a more sophisticated high-technology approach to the exhibit. All other exhibit costs are costed at a level which would provide primarily graphic panels with a small amount of three-dimensional elements interspersed.

3) The travelling exhibit budget would permit the Centre to purchase a reasonable quality commercial display system on which duplicates of panels from the permanent exhibit could be mounted. The cost of producing duplicate graphic panels would be relatively low once the expense of creating the original is complete. This travelling exhibit could be circulated to facilities in the region and province to increase awareness of the Happy Valley-Goose Bay area.

4) Development costs do not include the privately operated lounge facility. Assuming 35 seats at 1.9 m^2 (20 $ft.^2$) per seat would result in a total cost of $75,000 assuming $1130/$m^2$ ($100/$ft.^2$). Additional costs may be required to theme the lounge to a high quality.

The estimated operating and maintenance costs for the Interpretation Centre would be as follows:

• Salaries and Benefits		
Manager	$ 25,000	
Seasonal Staff	$ 3,000	
Benefits (15%)	$ 4,200	
	$ 32,200	$ 32,200
• Utilities (\$40/m^2)		$ 10,400
• Maintenance (3% of Capital building Costs)		$ 10,000
• Office Supplies/Equipment/Operations		$ 5,000
• Advertising		$ 2,500
Total Estimated Operating Costs		**$ 70,100** [1]

Advertising costs may be higher in the initial years of operation while the Centre is working to establish a position in the local marketplace.

5.4.2 - Northwest River as a Day Trip Destination

5.4.2.1 - Rationale

In an effort to make the Lake Melville area a stronger destination point, the opportunity exists to develop the Settler-Inuit community of Northwest River as a day trip destination. Only 30 km away from Happy Valley-Goose Bay, Northwest River has the potential to profile its unique social and cultural history providing visitors with an expanded itinerary of things to see and do while in the region.

Northwest River will be an attraction to residents of Happy Valley-Goose Bay, tourists coming into the area from provincial and non-provincial origins as well as transient pilots who are looking to experience as much of the area as possible. In total, this opportunity profiles a number of small scale attractions and improvements which can occur in the community to create a stronger day trip destination.

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[1] * Operating costs do not include any debt retirement costs as it has been assumed that the facility will be a public sector development.

5.4.2.2 - Objectives

The development of Northwest River as a day trip destination would maximize the benefits of travel into the area. Specifically, the objectives of this development opportunity are:

i) to expand and create awareness of the area's attractiveness and inventory of things to do;
ii) to increase the length of stay of visitors by providing additional and alternative opportunities in the region;
iii) to increase/maximize benefits from tourism expenditures in the region;
iv) to capitalize upon the community's interest in becoming more involved in tourism; and
v) to encourage private sector investment in the tourism plant locally.

5.4.2.3 - Product Components

Several development opportunities could be initiated in order to develop Northwest River as a day trip destination.

These components include:

1. Expansion of the existing crafts centre
2. Development of a small restaurant facility
3. Establishment of tourist cabins
4. Community Interpretive Program
5. Enhanced Beach Festival
6. Marketing and Promotion
7. Other Longer Term Activities

1. Craft Centre

a) Description

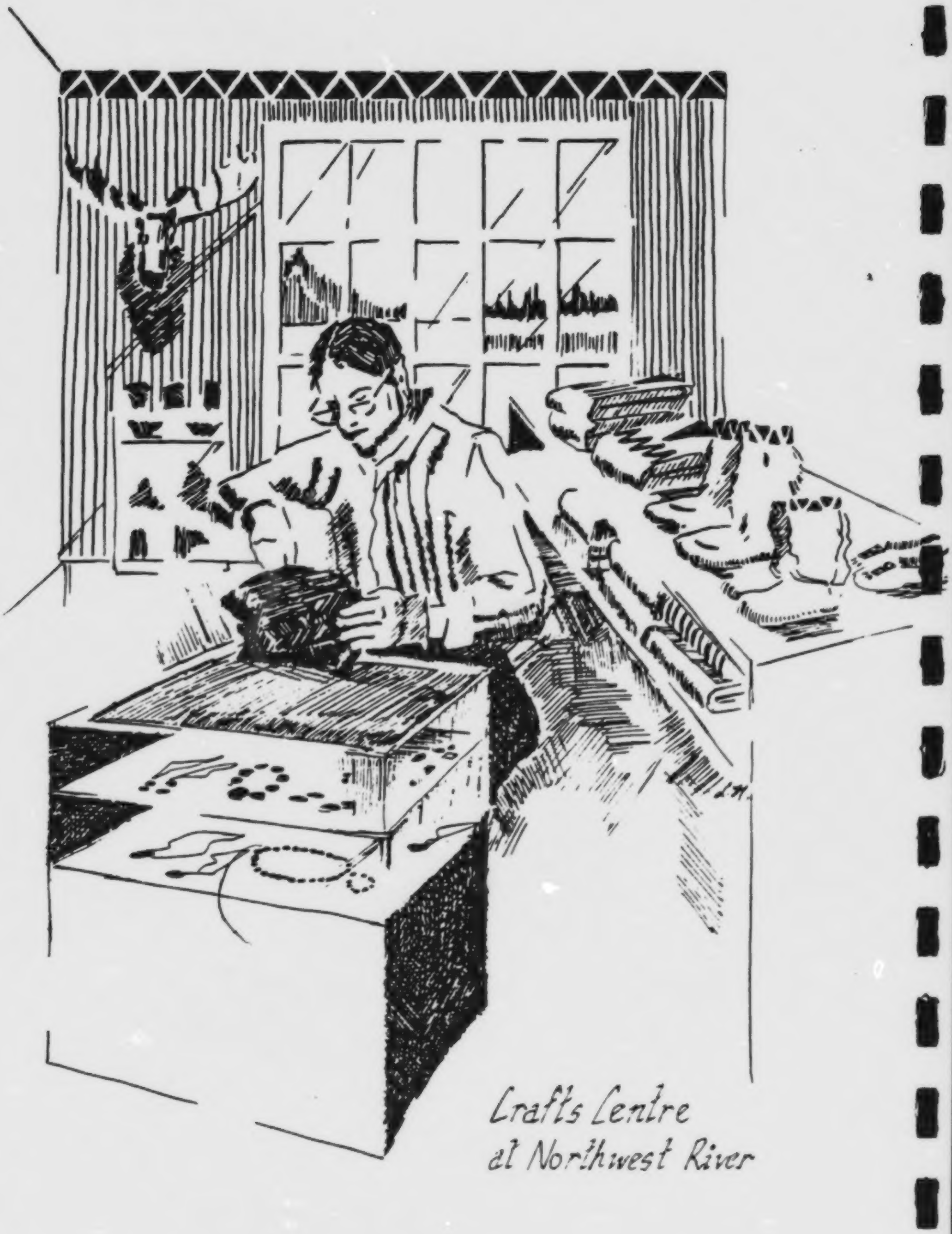
At the present time there is a successful crafts centre operating out of Northwest River. Specifically the centre is well known for its Labradorite jewellery as well as other local crafts such as tea dolls and mocassins. Production of these crafts now occurs, for the most part, off premises. Given the crafts centre's successes, its key location on the water in Northwest River and its opportunity to function as a day trip attraction, it is recommended that the crafts centre be expanded and improved.

Moreover, as most people coming into the area will stop in at the facility, it is recommended that the facility take on a stronger interpretive/tourist information function. By creatively including pictures and displays which tell the story of Northwest River, it will increase the level of interest in the facility.

Additionally, given its prime location on the water it may be possible to expand the facility to include a restaurant facility. This opportunity, however, is described separately to allow independent investment to occur.

To improve the existing crafts facility we are proposing:

- Transferring of the Labradorite production process (or positions thereof) to the crafts centre to allow tourists to see how the jewellery is made and to encourage custom orders. This activity may only occur in the peak summer season if this is preferable to the operator or, alternatively, with adequate winterizing of the building, may take place on a year-round basis in the centre.
- Installation of a patio area overlooking the water.



Crafts Centre
at Northwest River

- Introduction of interpretive elements e.g., pictures, displays to tell the story of Northwest River.

- Expansion and improvement of the building to allow the above to be accommodated to 2000 ft.^{2}

b) Costs

The capital cost of improving the crafts centre is estimated at $140,000. Additionally some new equipment such as display cases, etc. will be required at a total cost of $3,000. Such a venture would be a private sector responsibility but there may be an opportunity to secure assistance through government sources.

It is not anticipated that the improvement of the Centre will necessitate any new hiring of staff/artisans above present levels unless demand warrants this.

2. Restaurant Facility

a) Description

At the present time dining opportunities in Northwest River are relatively limited and do not take advantage of the natural scenery. To create a strong day trip destination, development of a new dining facility would be very beneficial. Perhaps located alongside the crafts centre, this restaurant facility would increase the amount of tourist activity in the local area and would maximize the opportunities afforded by the scenic location of Northwest River.

A small restaurant (800 ft.^{2}) seating approximately 30 persons, could offer lunch and afternoon snacks as well as a limited dining menu. In the winter season dinner only would be offered. To offer a unique dining experience, the restaurant should seek to offer something not available elsewhere in the area and should appeal to locals as well as tourists, e.g., fine dining of local specialties, all inclusive special meals, etc.

The facility could be developed in a "patio-style" of architecture to allow a scenic view over the river. Alternatively the restaurant may be developed along a historical theme to support the image of Grenfell. In any case the restaurant should strive to offer an intimate setting and the highest quality cuisine possible.

b) Costs

The capital cost of this private sector venture is estimated as follows:

30 seats at 1.6 m^2/seat = 48 m^2 @ $910/$m^2$	=	$ 43,700
Kitchen spaces @ 40% of seating space = 20 m^2 @ $1100/$m^2$	=	22,000
Furnishings/Finishing/Equipment	=	40,000
Total Capital Cost	=	**$ 105,200**

The cost of operation of the restaurant facility has been estimated as follows:

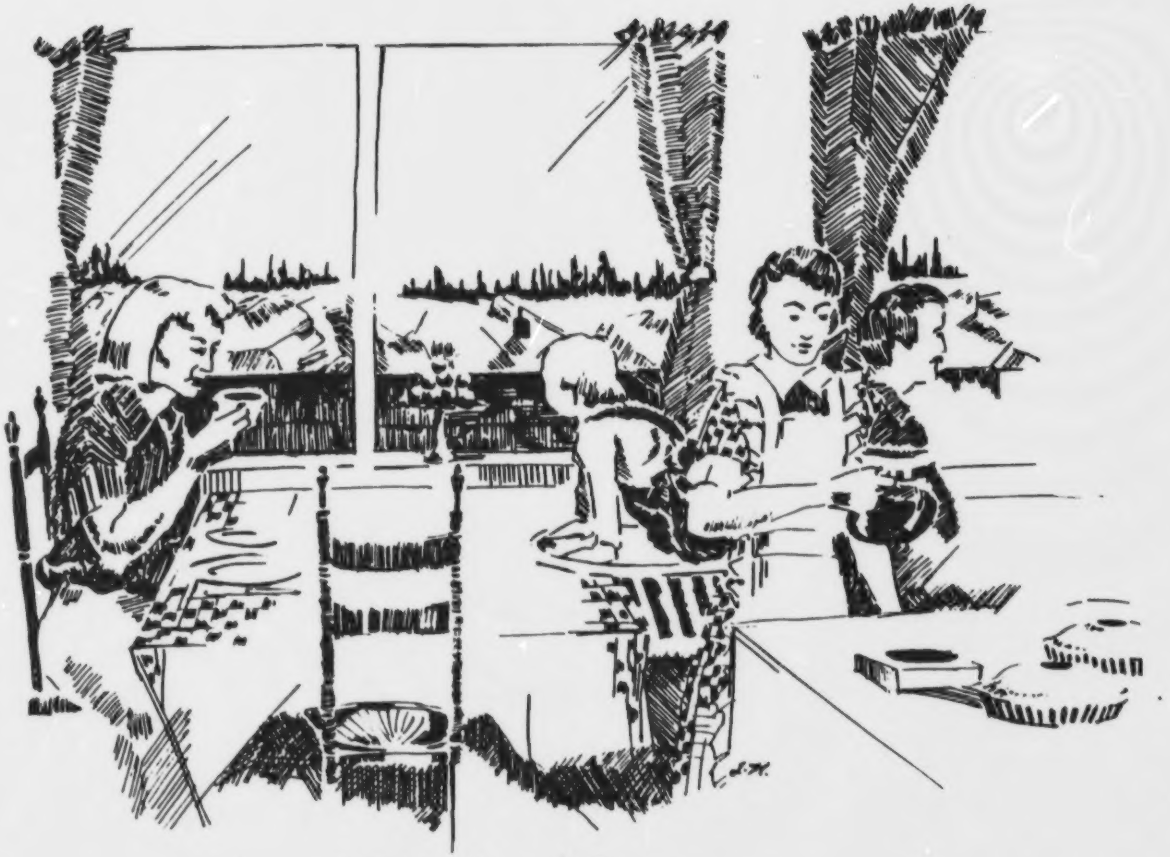
Estimated Revenue

3 months x 7 days/week x 30 seats x 1.5 covers x $10.00/meal (12 weeks)	=	$ 37,800

Estimated Costs

Staff:	
1 cook @ $30,000/year pro-rated for 3 month season	7,500
1.5 waiters/waitresses @ $16,000/year pro-rated for 3 month season	4,000
	$ 11,500
Utilities (@ 35% of Revenue)	$ 12,150
Total Operating Costs	**$ 23,650**
Estimated Seasonal Profit	$14,150

These operating costs have been estimated given a 3 month operating season.



Restaurant at Northwest River

c) Pro Forma Analysis

The ten year pro forma for this 30 seat restaurant is detailed in the Table 5.2. For projection purposes it is assumed that after a four year market capture program, the facility will be fully effective in the marketplace and average at 1.5 covers per seat per day for the 84 day operating period. Income projections which include a 5% inflation factor and are based on an average expenditure of $10 per cover will, therefore, range from a low of $25,200 in year seven to over $58,000 by the end of the projection period. After operating costs, the facility will, however, have as little as $4,800 (19 % of revenue) to $20,276 (by the end of the projection period) available to cover financing on capital construction, or as a return on equity invested.

When compared to the required capital of $105,200, it is clear that the operating cash flow is only sufficient to cover some 55-60% of financing requirements. In order for this project to be considered viable, it is therefore considered necessary that a capital grant of some $30,00 be applied to this project. With this assistance, the project will show an Internal Rate of Return (over 20 years) on the 20% invested equity of about 25% before tax, a rate deemed appropriate given the negative cash flow in the early years and the risk associated with this type of project.

We also investigated interest subsidy capital assistance. Although this type of assistance is certainly appropriate for projects where there is a cash flow imbalance in the early years, in the case of this restaurant project this is not the appropriate choice as the blended payment for a $105,200 loan (13% - 20 years amortization) is some $14,500. This income level is not reached until after year 10. A blend of capital grant and interest subsidy could, however, be considered.

Given the difficulties of operating a restaurant, a working capital loan to finance the first two years' negative cash-flow should also be considered unless the operation has substantial other resources.

Table 5.2

Northwest River Restaurant Proforma

NORTHWEST RIVER RESTAURANT PROFORMA

PARAMETERS YEAR	1	2	3	4	5	6	7	8	9	10
# of seats:	30	30	30	30	30	30	30	30	30	30
Operating Days	84	84	84	84	84	84	84	84	84	84
# of Covers/seat/day	1	1	1.25	1.25	1.5	1.5	1.5	1.5	1.5	1.5
Income/Meal	$10.00									
Price inflation	5.0%									
Total # of Covers	2520	2520	3150	3150	3780	3780	3780	3780	3780	3780
REVENUE:										
Food & Bev. Sales	25,200	26,460	34,729	36,465	45,946	48,243	50,656	53,188	55,848	58,640
COSTS:										
Staff:										
cook	7,500	7,875	8,269	8,682	9,116	9,572	10,051	10,553	11,081	11,635
servers	4,000	4,200	4,410	4,631	4,862	5,105	5,360	5,628	5,910	6,205
Utilities	8,820	9,261	12,155	12,763	16,081	16,885	17,729	18,616	19,547	20,524
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Total Costs	20,320	21,336	24,834	26,076	30,059	31,562	33,141	34,798	36,537	38,364
OPERATING REVENUE	4,880	5,124	9,895	10,390	15,887	16,681	17,515	18,391	19,310	20,276
FINANCING COST:	8,564	8,564	8,564	8,564	8,564	8,564	8,564	8,564	8,564	8,564
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NET:	($3,684)	($3,440)	$1,331	$1,826	$7,323	$8,117	$8,951	$9,827	$10,746	$11,712

CAPITALIZATION

Cost:	$105,200
Capital Grant:	$30,000
Equity:	$15,040
Financed:	$60,160
Financing cost:	$8,564
Interest:	13.0%
Amortization Period:	20
INTERNAL RATE OF RETURN	24.7%

3. Tourist Cabins

a) Description

The picturesque setting of Northwest River makes it an interesting location to travel for a day trip and possibly for a weekend. At the present time the accommodations which are available are relatively limited and do not allow the tourist to benefit from the natural surroundings.

Development of a small number of cabins (10 to 15) near the water at a scenic location will allow residents and tourists to enjoy the area and will encourage spending at the local craft shop and restaurant.

Cabins, each at 40 m^2 (450 ft.^{2}), should offer limited housekeeping services (i.e., mini fridge and stove) in a rustic yet comfortable style. The surrounding area should be landscaped and recreational facilities available for guest use i.e., small boats, canoes, windsurfers.

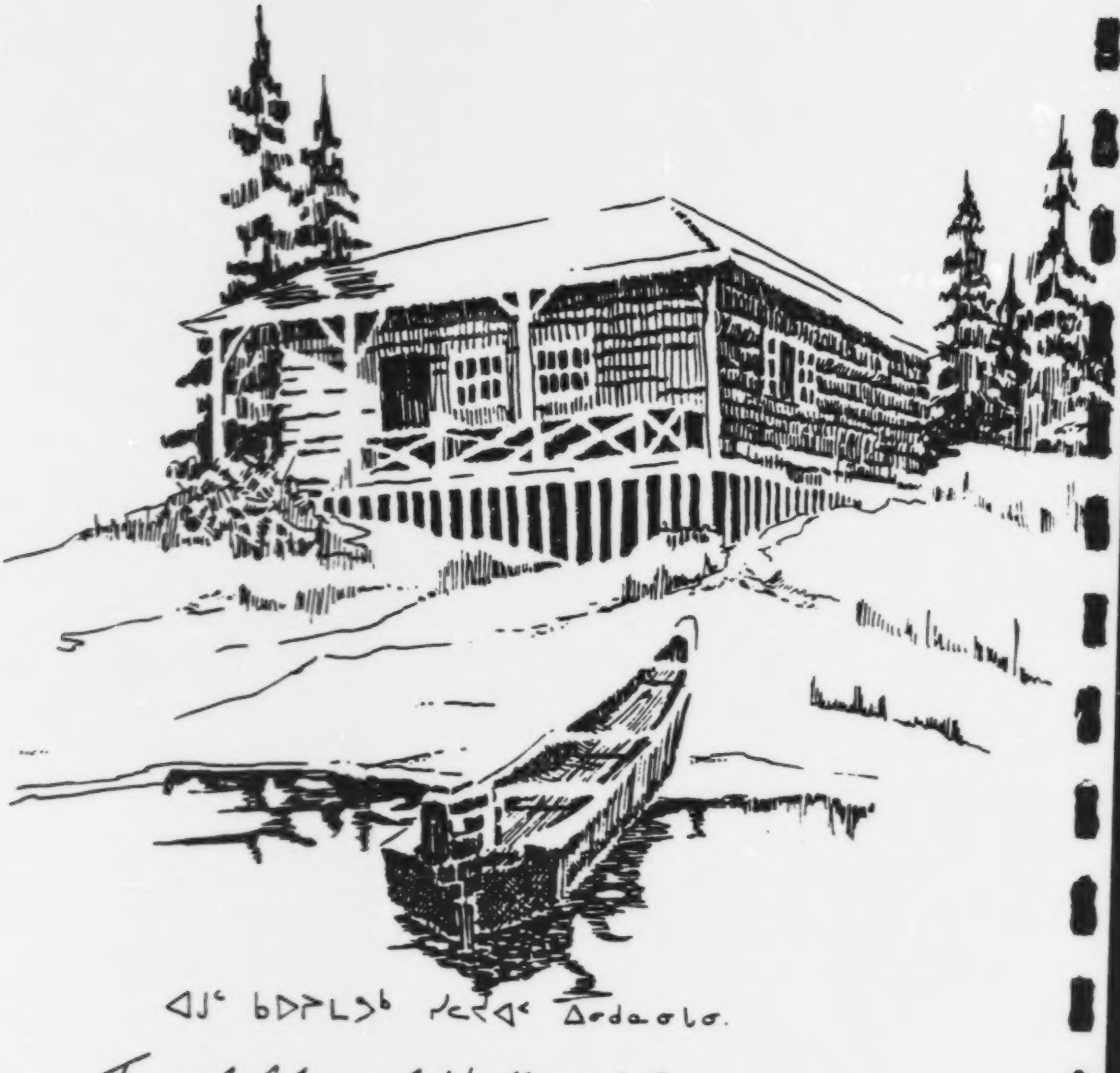
b) Costs

The capital costs of development are estimated as follows:

10 cabins x 40 m^2 @ \$450/m^2	=	\$ 180,000
landscaping, site development (@ 10% of construction)	=	\$ 18,000
Furnishings \$1,000/unit	=	\$ 10,000
Total Capital Costs	=	\$ 108,000

These costs do not include an additional \$15,000 that would be needed to supply outdoor recreational facilities/services.

From an operational perspective the cost of these cabins is estimated to be:



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Tourist Cabins at Northwest River

Estimated Revenue

$200/week @ 10 cabins for 12 weeks= $ 24,000

Estimated Costs

Staff (@ $16,000/yr pro-rated for 3 month operating season)
.5 clerk
2 cleaning staff = $ 12,000
Utilities (15% of revenue) = $ 3,600
Total Operating Costs = **$ 15,600**
Estimated seasonal profit = $ 8,400

c) Pro Forma Analysis

The ten year pro forma for this ten unit tourist cabin project is detailed in the following Table 5.3. For projection purposes it is assumed that after a five year market capture program, the facility will be 100 percent occupied for the twelve week operating period. Income projections, which include a 5% inflation factor will, therefore, range from a low of $18,000 in year one to over $37,000 by the end of the projection period. After operating costs, the facility will have as little as $3,300 (18% of revenue) to $13,031 (by the end of the projection period) available to cover financing on capital construction, or as a return on equity invested.

When compared to the required capital of $108,000, it is clear that the operating cash flow is only sufficient to cover some 30-40% of financing requirements. In order for this project to be considered viable, it is therefore considered necessary that a capital grant of some $60,000 be applied to this project. With this assistance, the project will show an Internal Rate of Return (over 20 years) on the 20% invested equity of about 26% before tax, a rate deemed appropriate given the negative cash flow in the early years and the risk associated with this type of project.

We also investigated interest subsidy capital assistance. Although this type of assistance is certainly appropriate for projects where there is a cash flow imbalance in the early years, in the case of this tourist cabin project, this is not the appropriate

Table 5.3

Northwest River Cabins Proforma

NORTHWEST RIVER TOURIST CABINS PROFORMA

PARAMETERS	YEAR	1	2	3	4	5	6	7	8	9	10
# of cabins		10	10	10	10	10	10	10	10	10	10
Operating Weeks		12	12	12	12	12	12	12	12	12	12
Occupancy		75%	80%	85%	90%	95%	100%	100%	100%	100%	100%
Rate / Week	$200.00										
Price inflation		5.0%									
Total # of cabin-weeks		90	96	102	108	114	120	120	120	120	120
REVENUE:											
Rental Income		18,000	20,160	22,491	25,005	27,714	30,631	32,162	33,770	35,459	37,232
COSTS:											
Staff:											
clerk		2,400	2,520	2,646	2,778	2,917	3,063	3,216	3,377	3,546	3,723
cleaning staff		9,600	10,080	10,584	11,113	11,669	12,252	12,865	13,508	14,184	14,893
Utilities		2,700	3,024	3,374	3,751	4,157	4,595	4,824	5,066	5,319	5,585
Total Costs		14,700	15,624	16,604	17,642	18,743	19,910	20,905	21,951	23,048	24,201
OPERATING REVENUE		3,300	4,536	5,887	7,362	8,970	10,721	11,257	11,820	12,411	13,031
FINANCING COST:		5,466	5,466	5,466	5,466	5,466	5,466	5,466	5,466	5,466	5,466
NET:		($2,166)	($930)	$421	$1,896	$3,504	$5,254	$5,790	$6,353	$6,944	$7,565

CAPITALIZATION

Cost:	$108,000
Capital Grant:	$60,000
Equity:	$9,600
Financed:	$38,400
Financing cost:	$5,466
Interest:	13.0%
Amortization Period:	20

INTERNAL RATE OF RETURN 25.9%

choice as the blended payment for a $108,000 loan (13% - 20 year amortization) is some $15,000. This income level is not reached until after year ten. When negotiated, a blend of capital grant and interest subsidy could, however, be considered.

Given the low cash flow, a working capital loan to assist in financing the negative cash flow in the first two years should also be considered, especially if the proponent is a small operator.

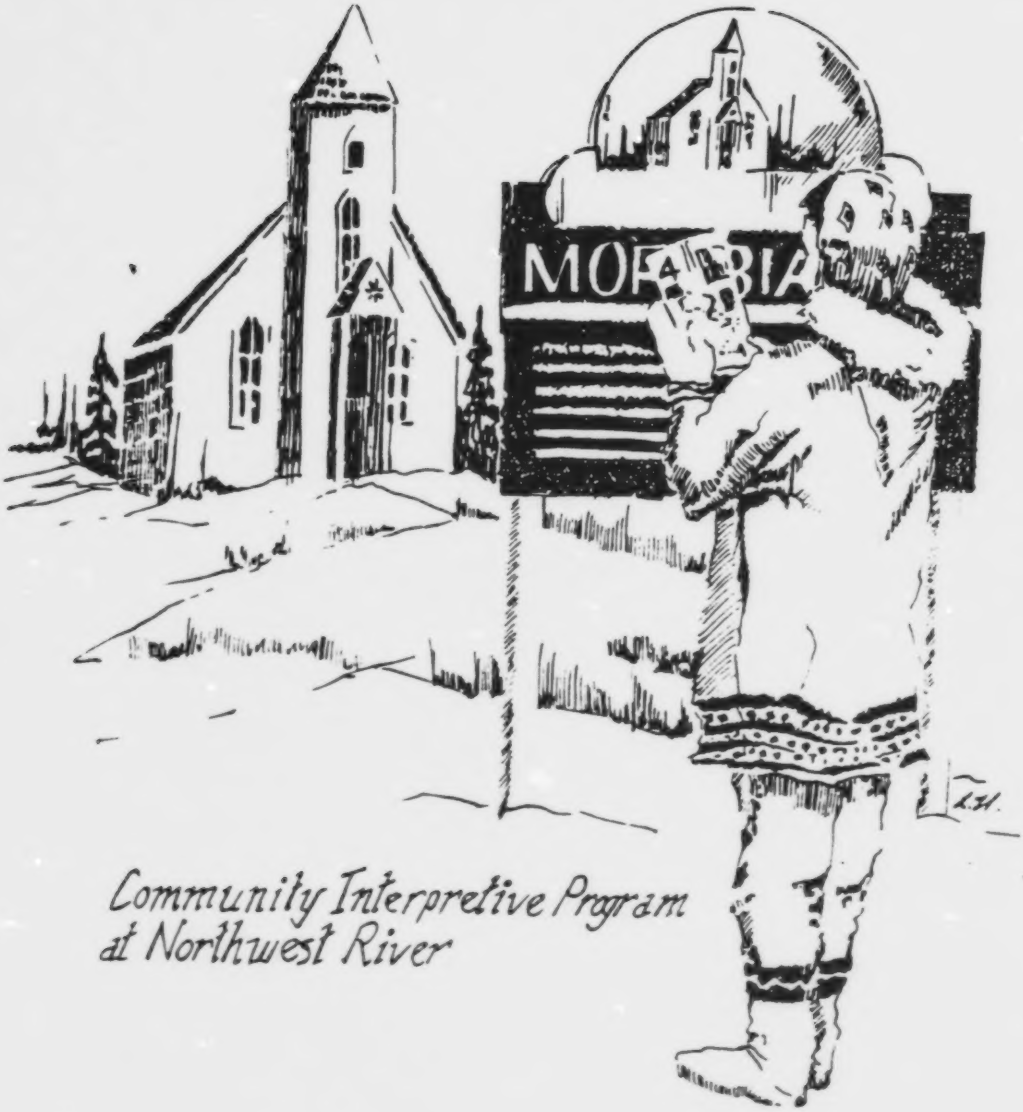
4. Community Interpretive Program

a) Description

The community of Northwest River has a rich history as well as a scenic setting. There is opportunity to allow a visitor to the area to take a walking or driving tour throughout the Town. This, in turn, may encourage expenditures and expand the length of stay in the community. To facilitate this activity the community should develop:

- An attractive entrance sign with directions as to where tourist information is available, e.g., crafts centre.
- An established walking route complete with numbered stops.
- Brochures which orient the visitor to the community and its history, people and tales.

For example, the sign and tour routing would note the location of the Moravian Mission. The brochure, while directing the tourist, would provide an explanation about the mission's history and significance. Similarly, at the facility itself, there could be a small interpretive sign or plaque which briefly tells about the building and its development. Wherever possible, the tourist would be encouraged to visit inside



Community Interpretive Program
at Northwest River

the facility. Other stops profiled along the route could include, but are not limited to:

- Specific buildings of interest relating to the Grenfell Mission.
- The crafts centre and jewellery manufacturing outlet.
- Local homes of significance
- Local natural and scenic resources, e.g., lookouts.

To create a tour of approximately one hour, a minimum of 6 to 8 stops should be developed. A particular focus of interpretation should be an explanation of the history and role of the hospital, the Hubbard expedition and early settlement of the community.

Over the longer term, it is suggested that the feasibility of reactivating the cable car (on a seasonal basis) be explored. This would be an exciting stop on the tour and would encourage an even higher level of visitation to the community.

b) Costs

The implementation of this project would be a community endeavour requiring financial assistance from the public sector.

In total, the short to medium term costs of the program including signage, interpretive markers and brochure production are estimated as follows:

Entry sign and landscaping	$ 2,500
6-8 interpretive markers (8 @ $800)	$ 6,400
Brochure production	$ 3,500
	$ 12,400

Obviously costs will reflect the quality and number of signs, the number of brochures produced and the amount of volunteer and/or local labour which is available. The reactivation of the cable car is not included in this estimate. As a longer term development this will require further investigation as to potential costs, operational parameters, etc.

c) Implementation

To initiate this project a community improvement committee should be established with responsibility for:

- Approaching public sector funding agencies for financial support.
- Informing the local community about the project to stimulate their interest.
- Working together with historical groups, business people, etc. to work out an interesting and diverse routing through the community.
- Arranging with local carpenters and artisans to design and create unique yet professional signs and plaques to direct and inform visitors.

5. Enhanced Beach Festival

In addition to physical developments, special events create a heightened interested in the community at a local level, stimulate travel by friends and relatives into the area and create an image for the community in the wider marketplace.

The current beach festival is a successful operation. It is critical that the momentum of this event be maintained and the event continually expanded upon.

The following suggestions indicate how the event can be further capitalized upon:

- Expanding the event to straddle an entire week (two weekends).
- Expanding the attendance to the event. (It is essential that estimates of current and future attendance are recorded to allow evaluation of the festival's success.)
- Expanding the diversity of activities as part of the festival to include a wide number of community events e.g., pancake breakfasts, barbecues, picnics, concerts, children's programs, etc.

To build upon the event it is important that a strong event committee is put in place and maintained from year to year. The Committee or board should be limited to 8 to 12 people with an assigned chairperson. Specifically the board should assume responsibility for:

- Establishing long term goals and objectives for the event.
- Establishing policies and priorities for the event.
- Creating interest in the event throughout the community.
- Establishing an annual agenda for the festival.
- Assisting in the guidance and management of the project.
- Budgeting for the event and component activities.
- Establishing a timetable for activities.
- Setting guidelines for the event.
- Establishing procedures to evaluate the event's successes and failures.
- Heading up and participating in fundraising activities.

Promotion of the event will occur both locally and externally. Local (i.e., within the Lake Melville area) advertising should include radio and newspaper publicity, posters and an event schedule. External advertising can be secured by, for example, conducting interviews with the press in St. Johns and Halifax. Additionally, high quality information should be planned well in advance to be included in regional and provincial tourism publications.

The annual cost of developing and delivering an event will vary according to the scope of the event, the level and quality of promotion and the level of sponsorship which is attained for the event.

A minimum of $2,000 should be secured from Town, Provincial and other public sector funding agencies and augmented by fundraising activities to allow high quality promotion of the event to occur. The benefits of hosting an event such as this are numerous:

- It will enhance the image of Northwest River as a tourist destination to local and regional markets.
- It will increase the length of stay of visitors.
- It will create economic benefits locally.

6. Marketing and Promotional Activities

In addition to the Beach Festival activities, it is important that the Town of Northwest River, through its participation in the Labrador Central Tourism Corporation, profile its special attributes in any tourism publications which are produced.

A local group of business people should be encouraged to produce, on a seasonal basis, an attractive listing of attractions, food services, events, etc. which are available in the community. This information should be forwarded to the L.C.T.C. for inclusion in any marketing ventures.

7. Other Longer Term Activities

Other longer term activities which would serve to increase the interest in Northwest River would include:

- Reactivation of the cable car into the community.
- Guided tours of the community.
- Adaptive reuse of Grenfell buildings to new uses e.g., retail, as demand warrants.
- Community flower planting program.

5.4.2.3 - Summary of Costs and Benefits

A number of small scale activities have been proposed for Northwest River. Taken together they will maximize the community's potential to attract residents of Happy Valley-Goose Bay and non-residents.

In total the capital costs required to implement this high interest opportunity will approximate $465,600.

From an employment perspective these development opportunities will have an impact on the local economy. The percentage of private sector initiatives will encourage local entrepreneurs to develop and get involved with the development of tourism resources in the region. On a broader scale, both public and private sector development initiatives will provide a number of construction based jobs. Although most of the new employment positions that are created will be seasonal, they are seen as positive contributions to the local area. Not only will they provide employment, but will also encourage spending in other sectors of the community as well, i.e., food services, retail sales, etc.

5.4.3 - "Destination Labrador"- Labrador's Marketing Agency

5.4.3.1 - Rationale

At the present time Labrador is marketed as one of a number of regions in the Province by the Department of Development and Tourism. Outside of this, the major marketing efforts which have been undertaken in the area have come from the outfitting sector and by sub-regional Tourism Development Corporations to varying degrees. Tourism development programs are handled by Provincial and Federal Tourism Departments and, to this end, each subregion has been the focus of a development plan (as is the case for Central Labrador in this assessment) with the exception of the Labrador coast.

Throughout this study it has been stressed that the success of Central Labrador in the tourism sector hinges on the creative promotion of Labrador as a whole. From the perspective of the marketplace, Labrador is a unique destination with a distinct "difference" from the remainder of the Province. It is correlated with the Arctic territories rather than the Atlantic provinces. As such, **it offers a different set of experiences not found elsewhere in the Province.** 'Labrador' has a distinct appeal or allure to European markets which can be capitalized upon.

It appears from the research which has been undertaken in this project and from a review of other 'Arctic' destinations successes, that an organization with a mandate to market just Labrador will be a key to capitalizing upon the region's uniqueness. This organization would have the prime responsibility of promoting tourism in Labrador and to foster/facilitate communication between the various subregions and industry sectors which make up the Labrador product to this end. It would then be the responsibility of the sub-regional organizations to service the clientele and maintain their share of the total.

As a business-oriented organization with regional and sectoral representation it will be in a position to establish and implement programs designed to build image and exposure for Labrador in the marketplace. This, in turn will create consumer and wholesaler interest in the destination well above that which could be achieved independently by local or sectoral interests. Further to this, with a strong organization in place, Labrador as a whole will be in a better position to lobby for key tourism-enhancing product development which straddles various subregions. Product development obviously ties in with the marketing of Labrador now and in the future. At the present time there are a number of organizations who are directly, or indirectly involved in the development of Labrador's tourism product. This includes Federal and Provincial departments, local tourism development corporations and regional development associations. By introducing yet another "player on the scene" the situation cannot help but become overcomplicated and ineffective. Therefore it is **recommended that the suggested organization maintain its primary role as a marketing agency and only become involved in development issues as necessary** i.e., in a lobbying capacity, etc.

5.4.3.2 - Objectives of the Organization

With the above background, it is important to clarify the objectives of initiating and supporting this new organization. This organization will be established to meet the following objectives:

1. To create an image and identity for Labrador i.e., to promote it as an exciting and exotic tourism destination.

2. To promote various communities and operators on behalf of the subregions comprising Labrador.

3. To provide a focus for the integration of tourism development and marketing activities in the region.

4. To ensure the effective management of Labrador's markets - both existing and potential.

5. To function as a body to foster communication between Labrador's sub-regional and sectoral tourism interests.

5.4.3.3 - Organizational Activities

The organization's activities will fall into five areas:

1. Marketing activities
2. Communication/liaison activities
3. Product development - related activities
4. Research activities
5. Consultative activities

a) Marketing Activities

The organization's prime focus of operation will be in this area. It will have responsibility to carry out the following marketing and promotional activities:

- Activities to develop image and exposure of Labrador in the marketplace.
- Trade and consumer public relations
- Management of media works
- Initiation of joint programs with southern-based organizations to establish image and exposure in the market.

- Trade show attendance on behalf of sub-regions
- Lure brochure production of Labrador
- Creation of a series of packages in association with a) sub-regions and b) complementary areas outside of Labrador designed to attract wholesaler and tour operator interests
- Facilitating FAM and Photo tours of the area
- Maintaining a photo library of Labrador products and experiences
- Retaining advertising agency
- Establishing good relations with wholesalers in key market areas
- Encouraging and facilitating cooperative marketing activities between various operators and sectors
- Providing Labrador marketing materials to Provincial and Federal departments for distribution including material produced by sub-regional tourism organizations.

The organization's marketing efforts will be directed at general touring (mass and individual) markets, adventure travellers, cruise companies, business travellers in U.S., European and Canadian marketplaces.

The fishing and hunting product will also be represented by this organization, however the primary marketing/organizational body responsible for this sector will continue to be the Labrador Outfitters Association. The consumptive product is well enough differentiated in terms of market, marketing avenues and product image that this should not prove to be a problem.

With the hiring of a marketing/sales agent by the L.O.A., it will be critical for these two organizations to establish a good working relationship and a clear division of duties.

b) Communications/Liaison Activities

Communications activities outside of those with wholesalers and media contacts externally will focus on "opening lines of communication up" within the Labrador tourism industry. A critical feature of the organization is its role as a central booking and referral agency for wholesalers and consumers. It will not sell the packages, rather it will communicate the package and travel opportunities to wholesalers and consumers as well as answering questions and directing inquiries to suppliers/operators. **It is not suggested that the organization become a sales agent or inbound wholesaler as this activity is generally better accomplished at the point of market origin.** Additionally, especially in the case of travel to exotic destinations such as Labrador, clients are typically repeat clients who are seeking the comfort of a known and reputable travel specialist. The organization should produce a sample of package opportunities or operators who are willing to participate in such activities, but the wholesaler or tour operator generally will prefer to work directly with this individual rather than through an intermediary agent such as the Destination Labrador. This to secure the best rates and ensure that commissions or incremental profits are assured.

It may be possible over the long term to consider the evolution of the organization to that of an inbound wholesaler to create new revenues for the organization. This is not suggested in the short term for the following reasons, some of which have already been stated:

1. **(A) southern based wholesaler(s) which represents Labrador as one of their many product offerings is in the best position to generate the highest travel volumes for the region.** Such organizations have an established clientele and a reputation within the specialized market segments which Labrador will be attracting.

2. **As an inbound operator/agency, the organization would not be able to equally represent all Labrador operators/products in its marketing efforts.** This will do little to establish a cooperative framework within which the Labrador tourism industry can operate. Conversely, in the short term, all efforts should be focused on getting industry 'on-side' with the organization.

Specifically the organization will undertake the following activities in the areas of communications and liaison:

- Provide a central contact point to outside wholesalers on a region-wide basis. Its role is to represent the entire tourism industry as opposed to a Southern-based wholesaler who, conversely, will typically represent a specific set of selected products in the area.

- Facilitate the communication between external buyers and internal sellers by referr providing contact lists and redirecting inquiries.

- Distribution of materials in response to inquiries.

- Encouraging communication between sectors and sub-regions which make up Labrador's product.

- Acting as a government/private sector interface in matters dealing with Labrado tourism industry.

- Liaising with the Labrador Outfitters Association's marketing manager, if such an individual is put in place, to ensure coordination is maintained between the t agencies and their individual marketing efforts.

- Liaising with government marketing groups at a provincial and federal level to ensu that Labrador is effectively represented in their promotional materials.

c) Product Development - Related Activities

The organization will maintain a peripheral role with respect to product development, i.e., it will not assume responsibilities in this area as do the Federal, Provincial and local touris industry organizations. It will, however, become involved where linkages between sub-regions are necessary as well as in a lobbying capacity. Specifically, activities in this a will include:

- Development and marketing of touring products which straddle various sub-regions with the respective regional organizations.

- Encouraging cooperative packaging of products which straddle several sub-regio

- Liaison and lobbying with government to assist in implementation of key tourism products in Labrador.

- Liaison and cooperative activities with key transportation carriers into the area, i.e., air, ferry, to develop a series of packages and products on behalf of/with tourism industry.

d) Research Activities

The organization will sponsor a limited number of research projects designed to maximize and monitor its marketing activities, examples of such activities include:

- Initiate a marketing study to define and priorize Labrador's target markets in terms of both geographic location, trip activity and motivation.

- Undertake periodic primary research to monitor advertising effectiveness, this likely through an advertising agency.

e) Consultative Activities

Given the fact that a marketing specialist will be hired as part of the organization, it will be possible for the organization to provide, on a limited basis, marketing assistance to independent operators.

Examples of assistance could include:

- Assistance in generating lists of buyers, wholesalers and agencies who have the greatest potential to generate sales to the operator.

- Assistance in generating marketing plans and budgets for independent operators and sub-regional tourism organizations.

- Assistance in design and production of advertising materials for independent operators and sub-regional tourism organizations.

Although a fee structure could be developed for such activities; it is suggested, given the relatively unsophisticated level of current development, that consultative services be provided free of charge to encourage industry use of the service.

5.4.3.4 - Organizational Guidelines

The objective of defining an organizational structure is to establish a clear understanding as to the roles and relationships of this organization with respect to others as well as to define the internal structure of the organization.

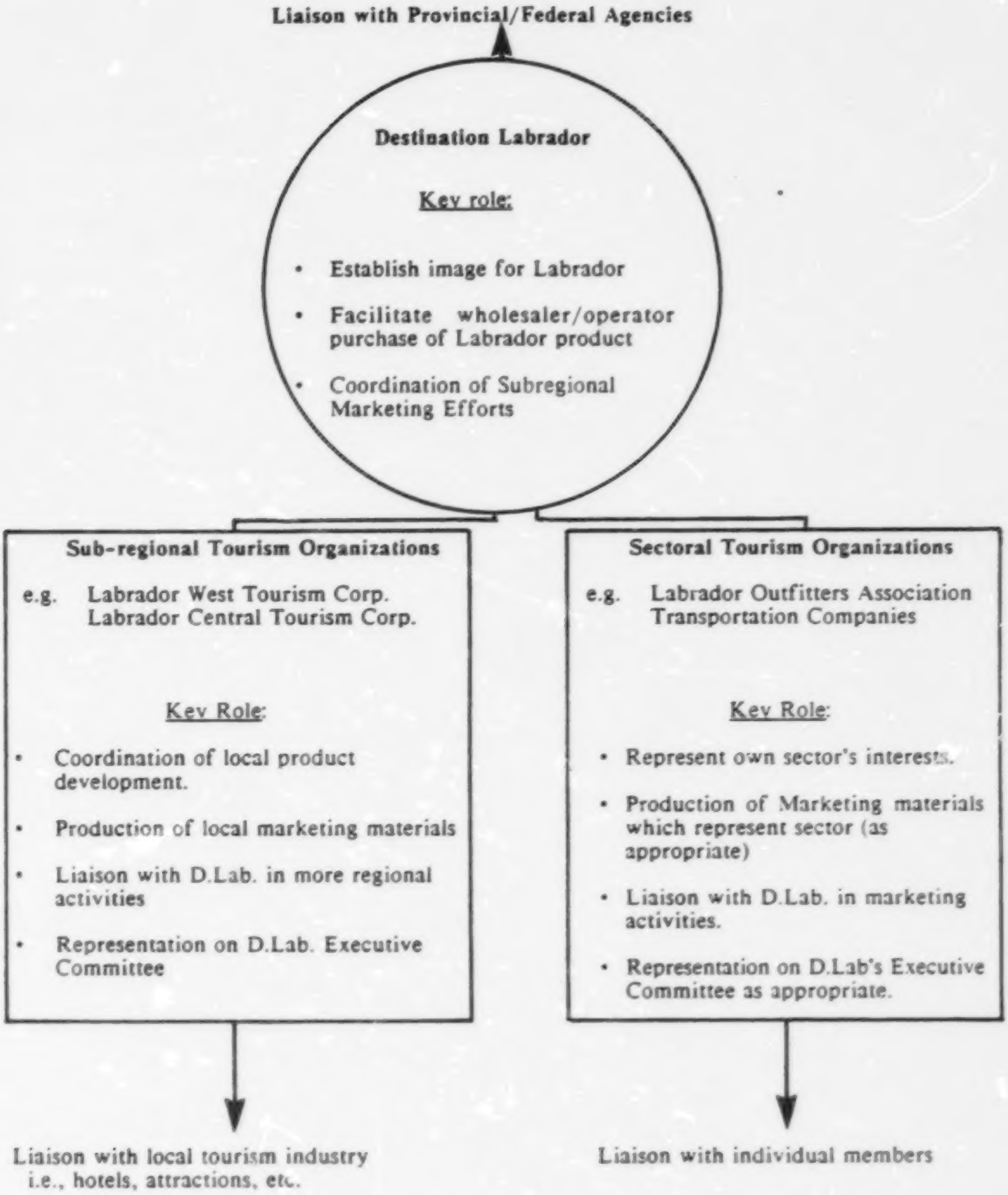
a) Roles and Relationships

The marketing agency has the primary role for guiding Labrador's marketing efforts, this through liaison with government agencies and the sub-regions and various sectors comprising the industry.

It is important that each organization maintain a realistic understanding of each other's roles.

Figure 5.2 illustrates how each organizational level has a relatively lower scope of interest, i.e., the Destination Labrador (D.L.) for Labrador, the Central Labrador Tourism Corporation for its region and the sectoral organizations for their members. Nothing is to be gained by, say, the C.L.T.C. approaching adventure wholesalers when this, as a marketing issue, is the responsibility of Destination Labrador. Rather, it is the C.L.T.C.'s role to ensure that its local tourism products are well represented by virtue of their representation on the Destination Labrador's Executive Committee and to ensure, by marketing and product development locally, that the visitor travels to Central Labrador and is well served while visiting the area.

FIGURE 5.2 - ROLES AND RELATIONSHIPS - DESTINATION LABRADOR



Liaison with Provincial/Federal Agencies

Destination Labrador

Key role:

- Establish image for Labrador
- Facilitate wholesaler/operator purchase of Labrador product
- Coordination of Subregional Marketing Efforts

Sub-regional Tourism Organizations

e.g. Labrador West Tourism Corp.
Labrador Central Tourism Corp.

Key Role:

- Coordination of local product development.
- Production of local marketing materials
- Liaison with D.Lab. in more regional activities
- Representation on D.Lab. Executive Committee

Liaison with local tourism industry i.e., hotels, attractions, etc.

Sectoral Tourism Organizations

e.g. Labrador Outfitters Association
Transportation Companies

Key Role:

- Represent own sector's interests.
- Production of Marketing materials which represent sector (as appropriate)
- Liaison with D.Lab. in marketing activities.
- Representation on D.Lab's Executive Committee as appropriate.

Liaison with individual members

b) Structure

1. Staff

It is suggested that the Destiantion Labrador hire an executive director or general manager whose role it is to manage the organization as well as a marketing manager with a specific role in administering the marketing function. Additionally one support person will be required.

2. Executive Committee

The Destination Labrador would have a Board of Directors or Executive Committee to whom the Executive Director would report to. The committee, comprised of no more than eight to twelve persons should include representation by:

Regional interests	- Sub-regional Tourism Corporations (3 in existence)
Sectoral interests	- Outfitters Association
	- Transportation Interests
	Others to be determined

It is not recommended that Regional Development Associations are included on the Board as:

1. These interest are better focused at a more local level by participation with the sub-regional tourism organizations; and

2. Destination Labrador has a focus on marketing rather than product development.

For the purposes of continuity and to foster good relationships, it is recommended that a representative from both the Provincial and Federal Tourism departments sit on the Board, perhaps in an _ex officio_ capacity.

3. Sub-Committees

It is likely that a number of specific areas of interest will begin to evolve as Destination Labrador proceeds to implement the plan. It is recommended that to tackle various projects effectively, a series of sub-committees be established, each headed up by a representative of the board. Examples of committee interests could include:

- Packaging/Cooperative Ventures
- Government Lobbying
- Industry Liaison
- Advertising
- Research
- etc.

5.4.3.5 - Budgetary Requirements

As outlined, the effective implementation of this organization will require the hiring of professional and support staff. Additional costs will include office rental space, marketing activity costs and installation of a toll-free line.

We have assumed, for the purposes of discussion that this organization's headquarters would be in Labrador itself, however, any number of permutations are possible, including:

- operating in its own office space in Labrador
- operating in its own office space in St. John's
- operating out of the Provincial government offices.

Ideally the organization would be located in Labrador, this to:

- Encourage local industry participation with the organization.
- Encourage product development by way of liaison with the tourism industry.

Over the long term consideration could be made to reposition the organization as a southern-based wholesaler.

In order to approach funding agencies, the following estimate of annual operating costs for the organization has been provided in Table 5.4. It will require further refinement once details are clarified and approvals are sought.

The organization wail never be self-supporting, largely funded through government initiatives. Opportunities for funding could come from the following sources:

- A reallocation of provincial advertising funds for this purpose*.
- Private sector sponsorships, particularly by those industries receiving direct benefit e.g., transportation interests.
- Cooperative advertising efforts.
- Consultation fees.
- Membership fees.

In the case of the last three sources, it must be recognized that, if Destination Labrador is to be successful, it must gain the support of industry. Therefore, at the outset, participation fees should be largely a token of industry support rather than being a substantial revenue source for the organization. As the organization ages and begins to prove itself, membership fees can become a larger proportion of revenue. As a new organization, more effort should be focused in its prime area of effort i.e., marketing rather than soliciting sponsorships to keep itself "above water".

The budget established is a minimum budget reflecting salary expectations and a realistic level of marketing monies to create some impact in the marketplace.

Ideally, all marketing monies provided to the sub-regional tourism organizations should "flow through" Destination Labrador, this to ensure a) that duplications do not occur and b) that a certain level of quality control is achieved at various levels.

*This assumes that the province will continue to represent Labrador as part of its overall marketing approach, but that the bulk of Labrador's marketing will be undertaken by Destination Labrador through budget reallocation.

Development funds would continue to be directed as they do presently.

TABLE 5.4
ESTIMATE OF ANNUAL COSTS OF DESTINATION LABRADOR

Item	Cost ($ 1989)	Description
Salaries and Benefits	$130,000	General Manager, Marketing Manager, Administrator, Support person.
Office rental	7,000	
Equipment rental	16,000	Includes toll free line
Supplies	3,000	
Advertising	150,000	Includes design and media consultation, marketplace/trade show expenses.
Travel	14,000	Assumes strong level of 'contra'/support from transportation carriers
Postage	8,500	
Insurance, accounting and legal costs	2,500	
	$ 331,000	

Other charges may include bank charges, depreciation and amortization.

5.4.3.6 - Implementation

It will be important for industry to show its support for Destination Labrador even prior to government proving any support of such a venture. To begin this process it is recommended that:

- Existing regional tourism organizations begin to work together and liaise on common issues in the short term.
- An industry symposium be established to introduce the concept of Destination labrador.
- Industry begin to lobby government agencies to support the agency.

In the event that the recommendations respecting Destination Labrador are not implemented, it will still be necessary to establish a higher level of marketing support for Labrador as a whole. **If no other means are possible, consideration should be made for reallocation within the provincial tourism advertising budget to provide a stronger level of marketing support to Labrador as a unique destination.**

5.4.4 - Gosling Park

5.4.4.1 - Rationale

Gosling Park is presently considered a local recreational park. It offers a variety of recreational opportunities, however, it is used for the most part, by residents of the Lake Melville area. As the site of the successful Annual Labrador Canoe Regatta, the development of other events and physical developments within the park could increase the potential for the park to serve visitors to the area somewhat. Moreover, an increase in the inventory of 'things to do' at Gosling Park could extend the use of the park throughout the winter.

As owners of the park, the Mokami Regional Development Association have recently focused their efforts to secure funding in order to build upon this potential. This discussion of Gosling Park as a high interest opportunity will outline the physical and programming development opportunities that can be undertaken. Once these opportunities have been outlined, the question arises of how to effectively manage and operate the park to become a major recreational facility in the Lake Melville area. As such, several options for the management and operation of the park will be outlined.

5.4.4.2 - Objectives

The development of Gosling Park will not only provide residents and visitors with a variety of recreational activities but will establish the park as a major recreational facility. Specifically, the development of the physical resources and management of the park will meet the following objectives:

- Increase and encourage resident interest and use of the park.
- Increase the number of year round activities in the area for residents and non-residents.
- Increase the length of stay of non-residents in the area.
- Improve the image and profile of the Lakeville area as a unique destination.
- Encourage more spending by residents and non-residents who would use the park.

5.4.4.3 - Resource Strengths and Weaknesses

The following items are those which are viewed as the main strengths of Gosling Park to be capitalized upon as well as the major weaknesses which must be considered as part of the development/planning.

Strengths

1. The natural environment of the park is it's most important feature.
2. Gosling Park has an established inventory of recreational opportunities.
3. Gosling Park can offer both land and water based activities.
4. There is commitment on the part of several groups to develop the park.
5. The surrounding areas i.e., Snow Goose Mountain, Lake Melville, Mealy Mountains and Birch Brook Nordic Ski Area can be complementary to activities that would be carried out at Gosling Park.

Weaknesses

1. Gosling Park is, at present, a local recreational park used mostly by area residents.

2. The park lacks any cultural/historical features that would attract tourism markets at the park.
3. There is nothing about the geography or environment which identifies Gosling Park as unique from other areas around Lake Melville.
4. Other provincial/national parks are seen as competitors with Gosling Park, offering similar opportunities and attractions to the local markets which surround them.
5. The local/regional population is relatively small, thereby limiting the commercial viability of any profit oriented ventures.

It must be remembered that Gosling Park is and will be competing for the same limited market as other attractions/areas in the Lake Melville area. Therefore, it is important that any development that occurs at Gosling Park consist of distinctive, high quality resources and facilities in order to compete with other existing alternatives/opportunities.

5.4.4.4 - Development Opportunities

Several developments at Gosling Park are already being planned by the M.R.D.A. These include:

- Construction of an access road parallel to the beach
- Additional parking spaces
- A playground
- A beach change house
- Initiation of a Park Ranger training program

These developments have been estimated at approximately $470,000.

Other development opportunities that build upon the existing resources that have been presented by the M.R.D.A. include:

- Accessing land on the southern side of Gosling Lake to provide a controlled wilderness trail

- Informational signs at varying intervals including sketches and text on trees, plants, wildlife, fish, birds, etc.
- Designated conservation area for the protection of game birds and animals
- Additional/expanded picnic areas
- Wildlife observation sites along the trail
- Development of a boardwalk for the entirety of the trail in the long term
- Expansion of the camper lots on requested land at the west side of the lake
- Development of at least five (5) more cabins for rent at the southwest end of the park to afford privacy
- A scenic lookout-observation point/deck on "Lookout Rock"
- An indoor recreational facility to house table-tennis, dart boards, checkers, chess, etc. to entertain patrons in adverse weather
- Development of special events i.e., beach volleyball competition
- Kennel facilities for those who travel with their pets

At the time of writing this report, the M.R.D.A. has applied for funding assistance to undertake some of these initiatives. There is already commitment shown on the part of the M.R.D.A., Happy Valley-Goose Bay Town Council, Birch Brook Nordic Ski Club and Snow Goose Ski Club to provide funds pending Provincial assistance.

Other developments which could be considered include:

- Naturalist programs
- New special events/tournaments
- Winter activity centre
- Cycling Trail
- Greenhouses
- Destination campground
- Windsailing
- Winter camping
- Wilderness camp

These developments present a wide variety of projects which can be undertaken to serve residents and visitors of the area. The varying focus and scale of the opportunities suggests that they can be implemented both in the short and long term. The number of opportunities presented for Gosling Park illustrates the park's potential for development both now and in the future.

Specifically, camping and associated support facilities may be required over time as the area becomes road accessible. This will be an important consideration when defining management options.

5.4.4.5 - Management Options

A variety of management options have been tried and proposed for Gosling Park. It is important that the organizational structure and management of Gosling Park reflect the needs of existing and potential users. The intent of this section, therefore, is to define four (4) management options which could be adopted for Gosling Park. The management options to be defined are:

1. Designation as a Provincial Park
2. Private/Semi-Private Enterprise
3. Public Owned/Leased to Private
4. Gosling Park Committee

In order to evaluate the essential elements required for a successful recreation area, specific criteria must be developed and used to evaluate and choose the most appropriate option for Gosling Park. Criteria which among others, can be used to evaluate these management options, include the following:

- Order of magniture operating costs
- Staffing implications
- Level of accountability
- Visitation potential
- Marketing implications
- Economic benefits and return generated
- Funding implications
- Level of service provided

1. Designation as Provincial Park

Provincial Parks in Newfoundland-Labrador are classified according to their use. If designated as a provincial park, Gosling Park could be classified as an "Outdoor Recreation Park". These types of parks are areas with natural attractions and special scenic qualities that can be developed to accommodate a variety of recreational activities with emphasis on camping, day-use and water oriented facilities.

There are currently three provincial parks in Labrador: 1) The Garnet Islands, located off the coast, are classified as a Wilderness/Ecological Reserve; 2) Pinware River, a Natural Environment Park; and 3) Duley Lake, a Natural Environment Park located just south of Labrador City.

The strengths of this option are:

- employment opportunities can be offered year round, or on a seasonal basis with the hiring of a park officer and/or rangers to manage park;
- costs of development and management/operation would be absorbed by the province;
- there would be consistency in the activities and quality of services that would be offered;
- an image for the area would be created on the provincial level as it would be the only recreational park in Labrador;

The weaknesses of this option include:

- loss of local control;
- the park may establish a fee for use e.g., annual pass;
- limited private sector development would be allowed.

2. Private/Semi Private Enterprise

A second management option for Gosling Park is for the park to be a private/semi private enterprise. This would mean Gosling Park would be privately owned, with a focus on commercial development. These type of operations are usually managed as "family businesses".

Strengths of this option are:

- commercial development of cabins, camping and other recreation service would create employment opportunities
- could lease out a few concessions i.e., snack bar
- one admission fee would be charged for use of the park and its activities
- private enterprise would be encouraged at the local level

Weaknesses of this option include:

- limited opportunities to make money except at concessions
- commercialization of the park could lead to too much development which may be contrary to Park goals.
- maintenance levels could decline because of costs, manpower, etc.

3. Public Owned - Leased to Private

A third option for Gosling Park would see the park owned by a public agency, i.e., municipality, development association, province, with the various uses leased by private operations.

The public agency would be responsible for contracting out work associated with hard services i.e., repairs, electrical, garbage collection, grounds maintenance, etc. On an annual or seasonal basis, the park would lease out uses to private operators. Some of the uses that would be leased out include:

- campground
- cross country ski rentals
- cabins
- boat rentals
- food services

A Superintendent could be hired to act as a liaison between the public and private operators, and would be responsible for the co-ordination of activities and supervision of maintenance, etc.

The strengths of this option are:

- Private involvement would be encouraged
- Control by public sector would ensure services, access, etc. would be kept up to standard
- public sector ownership may guarantee funds for promotion/marketing efforts.

Weaknesses of this option are:

- private concessions are highly influenced by weather i.e., short summers, cold days, etc. which could cause financial difficulties
- marketing/promotion of the park becomes difficult if uses change from year to year.
- no public agency has shown a willingness and/or interest in assuming ownership of the park.

4. Gosling Park Committee - Public owned/operated

The development of a Gosling Park Committee would ensure the needs of all interested parties could be addressed. The committee could operate as an arm of the Tourism Corporation, with representatives from Town Council, the M.R.D.A., the Tourism Corporation, recreation departments and private citizens making up its members.

Strengths of this option are:

- The various interest groups would have joint say in recreation and tourism developments at park
- The focus of the Committee's activities would be directed towards what is in the best interest of the area rather than one group

- the park would have a larger regional profile and may be incorporated into other tourism packages and marketing initiatives.

The weaknesses of this option are:

- the park would have less provincial significance
- just one more to long list of committees.

5.4.4.6 - Recommendations

The management options that have been outlined represent four alternatives from which a decision must be made about the management of Gosling Park. Based upon market opportunities and community needs we recommend that Option 3 " Publicly owned - leased to private" be pursued. In this case either the province or the municipality would have to take on the responsibility for the park and encourage private sector investment. If the province is unwilling to become involved, then it should become a municipal function, this implying municipal boundary changes/adjustments.

Specifically, an opportunity exists for the private sector development of a destination campground as a revenue generator. Over the longer term opportunities such as the example shown below, may encourage the private sector to take on a strong role in providing services at the Park.

Example of a Private Sector Initiative at Gosling Park - A Destination Campground

As an introduction to this example, it must be noted that there are no quantifiable estimates as to the market demand for a campground at Gosling Park. Further to this, obviously the successful operation of the campground will rely (at least in part) in the completion of a road link from Labrador West.

In the absence of quantifiable data, we have presented a hypothetical summary for a 50 site campground operation.

a) Capital Costs

The capital costs of developing a 50-site campground is estimated at $104,000, assuming that 30 sites are unserviced in nature.

b) Pro Forma Analysis

The ten year pro forma for this 50 unit campground is detailed in the following Table 5.5. For projection purposes it is assumed that after a three year market capture program the facility will be 60 per cent occupied for the total 84 day operating period. Income projections reflect an income of $6 for unserviced and $9 for serviced sites and include a 5% inflation factor. These assumptions result in an operating revenue which ranges from a low of $13,600 in year one to over $28,000 by the end of the projection period. After operating costs, the facility will have as little as $5,047 (37% of revenue) to $14,163 (by the end of the projection period) available to cover financing on capital construction, or as a return on equity invested.

When compared to the required capital of $104,000, it is clear that the operating cash flow is only sufficient to cover some 50-55% of financing requirements. In order for this project to be considered viable, it is considered necessary that a capital grant of some $40,000 be applied to this project. With this assistance, the project will show an Internal Rate of Return on the 20% invested equity (over 20 years) of about 23% before tax, a rate deemed appropriate given the negative cash flow in the first year and the risk associated with this type of project.

We also investigated interest subsidy capital assistance. Although this type of assistance is certainly appropriate for projects where there is an imbalance in the early years, in the case of this campground project this is not the appropriate choice as the blended payment for a $104,000 loan (13% - 20 year amortization) is some $14,400. This income level is not reached until year ten. When negotiated, a blend of capital grant and interest subsidy could however be considered.

Table 5.5

Campground Proforma

CAMPGROUND PROFORMA

PARAMETERS YEAR	1	2	3	4	5	6	7	8	9	10
# of sites-Serviced	20	20	20	20	20	20	20	20	20	20
# of sites-Unserviced	30	30	30	30	30	30	30	30	30	30
Operating Days	84	84	84	84	84	84	84	84	84	84
Occupancy	45%	50%	55%	60%	60%	60%	60%	60%	60%	60%
Rate / Day -serviced	$9.00									
Rate / Day -unserviced	$6.00									
Price inflation	5.0%									
Total # of site-days	1890	2100	2310	2520	2520	2520	2520	2520	2520	2520

REVENUE:										
Rental Income	13,608	15,876	18,337	21,004	22,054	23,157	24,315	25,530	26,807	28,147
COSTS:										
Staff:										
clerk	2,400	2,520	2,646	2,778	2,917	3,063	3,216	3,377	3,546	3,723
maintenance staff	4,800	5,040	5,292	5,557	5,834	6,126	6,432	6,754	7,092	7,446
Utilities	1,361	1,588	1,834	2,100	2,205	2,316	2,431	2,553	2,681	2,815
Total Costs	8,561	9,148	9,772	10,435	10,957	11,505	12,080	12,684	13,318	13,984
OPERATING REVENUE	5,047	6,728	8,565	10,569	11,097	11,652	12,235	12,846	13,489	14,163
FINANCING COST:	7,289	7,289	7,289	7,289	7,289	7,289	7,289	7,289	7,289	7,289
NET:	($2,241)	($560)	$1,277	$3,280	$3,808	$4,363	$4,946	$5,558	$6,200	$6,874

CAPITALIZATION

Cost - Serviced Sites	$80,000	$4,000 /site
-unserviced sites	$24,000	$800 /site
Cost:	$104,000	
Capital Grant:	$40,000	
Equity:	$12,800	
Financed:	$51,200	
Financing cost:	$7,289	
Interest:	13.0%	
[illegible]ratio[illegible]d:	[illegible]	

Depending on the financial strength of the proponent, to protect the investment, the government should also consider a working capital loan (or loan guarantee) to assist in financing the first two year's negative cash flow.

5.4.4.7 Conclusions

The park is seen as a valuable resource in the local region, offering residents various recreational opportunities. Further to this, it is recognized that Gosling Park has some limited potential for tourism activities. Before any decision is made about the management structure for Gosling Park, efforts must be focused to:

1. Confirm the best approach for management of Gosling Park using a set of criteria such as those previously mentioned
2. Secure funds from available sources for budgets, operations and development initiatives
3. Establish short, medium and long term objectives to guide the successful development of the Park.
4. As the market increases consider involving the private sector in the park's operation.

The local community is in the process of undertaking a Recreation Master Plan and, ideally, this document would resolve some of the outstanding issues related to the Park.

6.0 IMPLEMENTATION PLAN

6.1 Marketing Guidelines

6.1.1 - Introduction

This section presents a recommended approach to marketing the Central Labrador area. As such **the suggested activities are focused upon the study area rather than for the wider Labrador region.** However, given the "regionality' of activities operating out of Central Labrador it is obvious that a number of marketing activities suggested for the study area will overlap activities undertaken for Labrador as a whole. Implementation of the marketing plan will largely be the responsibility of the Labrador Central Tourism Corporation and the Province, however should a Labrador-wide marketing agency be established, this will suggest new relations and cooperation will have to be established to maximize the efforts of all involved.[1]

6.1.2 - Context For the Plan

In order to direct future activities and evaluate the ongoing success of marketing activities undertaken, it is important to establish a context for the plan, i.e., the current situation:

- At the present time Central Labrador is attracting in the order of 34,500 trips for all purposes. As such, it receives a small share of the province's total volume (at 1.8% of the total).

- The geographic origin of its visitors are provincially generated trips, followed by U.S. visitors, Ontario visitors, Nova Scotians and overseas visitors.

- Travel into the area is principally for the purposes of visiting friends and relatives. The area receives a low amount of sightseeing/touring or adventure travellers. A large percent of non-resident travel is for the purposes of business and military activities also generate a significant proportion of travel. The fishing market is an established one, representing 8% of all trips into the region.

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[1] The reader should note section 5.4.3 for further detail on Destination Labrador.

6.1.3 - Marketing Strategy

The resource character of the area and its strategic location within Labrador has defined the most effective strategy for Central Labrador as:

a) Positioning the area as an access, service and orientation node for the greater part of Labrador and its spectacular scenic, historic, cultural and natural resources.

b) Positioning the local region as a unique and interesting place to visit given its unique military character, its historical resources, its recreation base and its event schedule.

Over the longer term

c) Positioning Central Labrador as an integral portion of the "Great Northern Labrador Circle".

Implicit in this approach is an overriding requirement, that being to **position Labrador first as an exotic and appealing destination before Central Labrador can be positioned as an integral feature to be experienced as part of the trip. This larger issue will be outside the realm of this study and the local tourism organization's role, however it must be adequately dealt with if Central Labrador is to success in implementing its own plan.**

6.1.4 - Key Target Markets

A review of Central Labrador's resources, when evaluated against market size, trends, character and motivational profiles provided a listing of key markets by both activity and geographic origin.

The key markets for Central Labrador have been defined in Table 6.1.

Each of these markets have their own special interests and have different ways of being accessed.

TABLE 6.1
KEY TARGET MARKETS

Activity	Geographic Target		Interests/Motivation
	Primary	Secondary	
Fishing	Northeastern, Central U.S.	Europe *	Fishing resource in the wider Labrador region.
Adventure	Northeastern, Central U.S.	Europe *	Scenic, natural and cultural resources of the wider Labrador region.
General Interest Touring	Labrador West Tour Market	Northeastern, Central U.S.	Local attractions, events, retail and cultural resources
Visiting Friends and Relatives	Provincial	-	Local attractions, events and recreational resources.
Skiing	Regional	Provincial	Local recreation resources and hospitality resources
Military	Local transient and base personnel	U.S. and European	Local recreation resources, regional fishing and adventure products.

* Primary targets include Germany and France; however given linkages provided by the military, this can be expanded to include all European markets flying into the area.

6.1.5 - Marketing Objectives

The purpose of identifying marketing objectives is to provide direction for planning and promotional efforts as well as to provide a gauge by which the success of such activities may be evaluated. Objectives have been set out according to short and long term objectives, this to align with the development of the resource base and the increasing level of experience of the local tourism corporation.

Objectives are shown below and, where possible, quantitative targets are provided. Recognizing the interdependency between the local marketing efforts and those of Labrador as a whole as well as the product development program which was set out for the area, the area should work toward achieving the following objectives.

Short to Medium Term Objectives (0 to 5 years):

- Maintain current market base
- Increase share of provincial tourism market from 1.8% to 2%, i.e., to 38,300 units.
- Improve communication with local military interests to encourage positive tourism benefits by these markets.
- Increase level of cooperation between outfitters (Labrador-wide objective).
- Increase volume of fishermen coming into the area (Labrador-wide objective).
- Increase volume of adventure travellers coming into the area (Labrador-wide objective).
- Establish good relationships between Labrador West Tourism Development Corporation, Labrador Central Tourism Corporation and Destination Labrador (if/when established).
- Inform existing and potential visitors of the tourism opportunities available in the area.
- Improve the level of communication with tourists in the local area, i.e., signage.
- Inform the local community about the value of tourism.
- Expand the level of packaging which is undertaken in the local area.
- Improve the data base for tourism within the local area.

Medium to Long Term Objectives (5 - 10 to years) .

- Increase share of provincial tourism market to 2.2% or 42,200 visits.
- Work cooperatively with other Labrador agencies to promote travel on the Great Labrador Circle, via multi-mode travel under the direction of Destination Labrador
- Increase private sector involvement in the marketing of the area.
- Capitalize upon military linkages to begin to work on overseas targets.
- Reinforce the image of Central Labrador in the marketplace.

The quantitative objectives established for the area would result in a net increase of 7,700 visits into the area by year ten of the plan. This number, although it represents only a small increase in terms of total visitaiton, is substantial when compared to the total number of true tourists now coming into the region.

6.1.6 - Marketing Activities

There are any number of activities which can be pursued to achieve the above objectives. The proposed activities have, however, been selected as being the critical activities which should be undertaken to achieve success in the most efficient way.

Activities which are to be pursued are diverse, ranging from the planning, development, implementation and evaluation of marketing projects. Additionally activities must be adjusted according to the market sector which is being pursued.

Table 6.2 outlines a program of marketing efforts which are intended to promote Central Labrador's unique attributes, create awareness for the region as a tourist destination and inform existing and potential visitors of the various opportunities available in the area.

Activities are broken out according to specific activity segments, however there are a number of activities which are to be undertaken which are common to all markets and are indicated as such. (In addition to the information provided in the table, at the end of this report a series of marketing activity examples are provided for reference.)

6.1.7 - Implementation Responsibility

The vast majority of tasks outlined in Table 6.2 are the responsibility of the Labrador Central Tourism Corporation (L.C.T.C.) as they relate specifically to the study area. However, there are a number of projects which are the prime responsibility of others or require the joint efforts of a number of agencies in terms of manpower, expertise or funding. Examples would include the Labrador Outfitters Association (L.O.A.), the proposed Labrador Marketing Agency - Destination Labrador (D.Lab.) the private sector and/or Provincial or Federal Governments.

In an effort to focus efforts, Table 6.2 indicates both the implementation responsibility (with the prime agency listed first) as well as priority.

6.1.8 - Research and Evaluation

It will be important to evaluate the marketing activities which are undertaken in the area to determine where improvements and changes should be made. Additionally, with time, it will become more and more important to have a clear understanding of the characteristics of your market and any changes which are occurring in this regard.

To this end, records as to the activities, expenditures and actual results should be compared with initial projections and these findings used to make future marketing decisions.

On a year-to-year basis, a brief and concise survey should be developed to be completed by visitors stopping at the tourist chalet. To complement this, key accommodations, attractions and restaurant facilities should be encouraged to also conduct regular surveys of the clientele.

6.1.9 - Budgetary Implications

As noted earlier, the responsibility for the promotion of the study area will largely be the domain of the Labrador Central Tourism Corporation. However, there are many

TABLE 6.2
MARKETING ACTIVITIES

Market Segment	Description of Marketing Activity	Reponsibility	Phasing (Years)		
			0-2	3-5	5-10
All markets	• Develop quality lure brochure of Central Labrador. Brochure should be highly graphic highlighting key tourist opportunities, e.g., dining, accommodation, attractions.	LCTC	•		
	• Distribute brochure to information centres, hotels, restaurants, etc. within the area.	LCTC	•		
	• Distribute brochure outside of area and province with other Labrador materials.	D.LAB.	•		
	• Ensure regional tourism products are represented in all relevant Labrador and provincial tourist publications, i.e., special events, attractions, accommodations.	LCTC D.LAB.	•		
	• Establish a specific graphic and catchphrase to be utilized on all printed material to provide consistent and identifiable image e.g., capitalizing on the Goose image, establishing the region as a hub or gateway to Labrador.	LCTC	•		
	• Develop and distribute a local event schedule to local media, L.M.A., government publications, etc.	LCTC Event Committees	•		

TABLE 6.2
MARKETING ACTIVITIES
(continued)

Market Segment	Description of Marketing Activity	Reponsibility	Phasing (Years)		
			0-2	3-5	5-10
All markets (cont'd.)	• Encourage cooperative production of tourism guide and map by local merchants, hotel operators, etc. This brochure would provide more detail than the lure brochure but of a lower quality.	LCTC Private sector		•	
	• Encourage key hospitality operations to undertake individual advertising efforts.	LCTC	•		
	• Participate in any Labrador-wide tourism promotions undertaken by the L.M.A. of the province.	LCTC	•		
	• Undertake a signage improvement program in the area. Clear directional and welcome signage should be developed at entry points, i.e., airport, ferry, road at minimum.	LCTC	•		
	• Liaise with military base representatives with respect to proposed flights from Germany and Holland. Begin a program to work with wholesalers and airlines in this market.	D.LAB.		•	•
	• Encourage the development of a coffee table book on Labrador.	D.LAB.		•	

TABLE 6.2
MARKETING ACTIVITIES
(continued)

Market Segment	Description of Marketing Activity	Reponsibility	Phasing (Years)		
			0-2	3-5	5-10
All markets (cont'd.)	• Encourage the wider distribution of Labradorite as publicity for the area.	D.LAB.	•		
	• Work with Provincial Department of Tourism to develop advertisements which incorporate Central Labrador in them.	D.LAB.		•	
	• Develop a series of brochures which outline attractions by theme, e.g., history, wilderness, etc.	LCTC			•
	• As part of any publicity on the NATO installation, ensure that the local tourism industry is well represented.	LCTC D.LAB.	•		
	• Establish a series of mini-packages designed for the business traveller coming into the area, e.g., one-day fishing trips, sightseeing tours, etc.	LCTC Private sector	•		
	• Encourage packaging efforts between transportation carriers and the various operators in the region, e.g., all inclusive air and/or ferry trip including rental car, accommodation, attractions visits, etc.	D.LAB. LCTC	•		

TABLE 6.2
MARKETING ACTIVITIES
(continued)

Market Segment	Description of Marketing Activity	Reponsibility	Phasing (Years)		
			0-2	3-5	5-10
All markets (cont'd.)	• As part of the interpretive centre facility development there will be a number of portable exhibits which profile the area and the wider region. Ensure that these exhibits are rotated, in the off-season, to key trade and travel shows attended by the province.	D.LAB. Dept. of Tourism			•
	• Encourage the production of a series of 'Goose Products' which are sold locally and/or used for promotional activities.	LCTC private entrepreneurs		•	
	• Represent Central Labrador's marketing interests on the LMA Executive Committee.	LCTC	•		
Fishing	• Advertise in relevant publications, organization's newsletters. Advertisements can be independent or cooperative ventures, the latter providing a greater level of exposure. Cooperative advertising could include a number of outfitters, a transportation carrier and provincial government partners.	LOA Independent Outfitters	•		
	• Develop a number of editorial stories on the outfitting product. Invite media representatives and travel writers to the area.	D.LAB. LOA	•		

TABLE 6.2
MARKETING ACTIVITIES
(continued)

Market Segment	Description of Marketing Activity	Reponsibility	Phasing 0-2	 3-5	 5-10
Fishing (cont'd.)	• Host a series of FAM trips to key buyers in target markets. Buyers should be prequalified as to their potential volumes of sales.	LOA Independent Outfitters D.LAB.		•	
	• Hire a marketing manager based out of the U.S. to sell the outfitting opportunities of the area. Manager will attend trade shows, act as sales agent for organization.	LOA	•		
	• Direct independent and cooperative fishing packages for individual and group purchase. Primary markets will continue to be U.S., however European markets will become increasingly important.*	Independent Outfitters LOA Tourism Canada	•		
Adventure	• Establish a good relationship with specialty adventure wholesalers to develop and sell the Labrador product (note listing at end of report for adventure buyers). The wholesalers should be introduced to local outfitters who can provide inbound assistance.*	D.LAB. Dept. of Tourism Tourism Canada	•		

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* To access European markets and respective wholesalers, the L.O.A./L.M.A. will need to work with the Federal Government, i.e., overseas trade offices, Consulates.

TABLE 6.2
MARKETING ACTIVITIES
(continued)

Market Segment	Description of Marketing Activity	Reponsibility	Phasing (Years)		
			0-2	3-5	5-10
Adventure (Cont'd.)	• Develop a number of editorial stories on Labrador's adventure product. Invite media representatives, travel writers into area.	D.LAB.	•		
	• To add stature to adventure packages, consider contacting a well-known wilderness photographer or mountain climber to lead a package.	D.LAB.		•	
General Tourism	• Develop a self directed tour map of local community of Happy Valley-Goose Bay and region.	LCTC		•	
	• Establish good contacts with bus tour companies, wholesalers now visiting Labrador West.	D.LAB. LCTC	•		
	• Establish a series of motorcoach and independent touring packages which include communities in Labrador West and Central Labrador. A sample package could, from Labrador West include a stop at Churchill Falls, a trip to Northwest River, a tour of the interpretive centre and dinner at a local restaurant.	D.LAB. LCTC		•	
	• Establish linkages with Labrador Straits Tourism interests to extend packages along the Great Labrador Circle.	D.LAB. LCTC		•	

TABLE 6.2
MARKETING ACTIVITIES
(continued)

Market Segment	Description of Marketing Activity	Reponsibility	Phasing (Years)		
			0-2	3-5	5-10
Visiting Friends and Relatives/Resident Market	• Develop print campaign aimed at local residents of area designed to educate them with respect to tourism, e.g., tourism as a career, value of encouraging friends/relatives to visit, value of local events, etc.	LCTC		•	
	• Invite media (regional, St. John's and Halifax) to participate in local special events to gain exposure, visit local attractions in area, etc.	LCTC	•		
	• Keep regional tourism community informed of tourism development activities through local media.	LCTC	•		
	• Develop a series of packages in support of major events.	LCTC			•
Skiing	• Develop a series of winter packages in the area including alpine and cross-country skiing, snowmobiling, dog sledding and trekking. These should be marketed regionally and provincially through ski clubs and shops.	LCTC		•	

TABLE 6.2
MARKETING ACTIVITIES
(continued)

Market Segment	Description of Marketing Activity	Reponsibility	Phasing (Years)		
			0-2	3-5	5-10
Military	• Introduce a series of lower cost fishing and adventure packages for local transient flyers.	LOA LCTC	•		
	• Introduce a series of lower cost local recreation packages, e.g., boat trips, day trips, etc.	LCTC	•		
	• In support of the military interpretive centre, target promotional literature and packages to regions and flying clubs in Canada and the U.S.	D.LAB. LCTC			•

opportunities for other private and public sector agencies, organizations and companies to become involved.

The following Table 6.3 provides a general indication of the costs of undertaking short term marketing activities, some of which duplicate the development opportunities outlined earlier, e.g., signage program, Goose products, etc. These costs are provided to indicate the order-of-magnitude costs which the local tourism organization will be faced with. Costs however will vary depending upon production techniques and volume. Generally the most effective approach will be for the organization involved to incorporate the appropriate tasks on an activity-by-activity basis as part of each organization's marketing budget. It is expected that funding for a number of key projects may be secured through such programs as outlined in Section 6.3. As discussed in Section 5.4.3, the ideal mechanism to ensure marketing efficiency and equitability and reduce overlaps, would be for all sub-regional marketing budgets to flow through Destination Labrador.

TABLE 6.3
COST ESTIMATES FOR SHORT TERM MARKETING ACTIVITIES TO BE UNDERTAKEN BY THE L.C.T.C.

Activity	Order-of-Magnitude Costs
Lure brochure	$ 10,000
Events schedule	500
Cooperative brochure and map	Private Sector
Signage improvement program	($ 15,000)*
Total	**$10,500**

* Previously noted in long list of development opportunities, therefore not assumed as a marketing cost here.

6.2 Organizational Guidelines

As has been previously stated, the degree to which the Tourism Industry is well organized will directly impact both the region's and study area's success in the marketplace. **The overriding objective is to provide a "unified front" with all organizations heading in the same direction, each with a clear understanding of its place within the system.**

Section 5.4.3.4 presented a general overview of the roles and relationships which must be clarified. The following presents organizational guidelines as it relates to by agencies involved in the tourism sector.

6.2.1 - Destination Labrador' - Labrador's Marketing Agency

Section 5.4.3 outlined in detail the rationale for and structure for such a Labrador-wide marketing body.

6.2.2 - Labrador Central Tourism Corporation

At the time of writing of this report a local tourism development organization - Labrador Central Tourism Corporation - was in the process of being formed and organized. As a new organization with a strong involvement in the implementation of the plan, it is important to clarify the organizations goals, mandate and budgetary requirements. The following discussion is provided as a guideline for the organization and which will likely require adjustment and alteration to meet the needs of the organization.

6.2.2.1 - Organizational Goals

Any organization, if it is to be truly effective, must have clear goals and objectives. The following are considered to be the key goals of the organization:

- To increase awareness of Central Labrador as a tourism destination.

- To direct and coordinate the efforts of public and private sectors in the promotion and development of tourism in the area.
- To provide leadership and support to the tourism industry of Central Labrador.
- To educate residents and business people of the benefits of tourism and the need to provide consistent high quality service to the tourist.
- To be accountable to the membership, funding agencies and general public with respect to the organization's roles and responsibility.
- To effectively maximize the relationship between this organization and the Labrador-wide marketing agency.
- To undertake research on the existing delivery of tourism to improve the local product over time.

6.2.2.2 - Organizational Activities

The range and nature of the activities which the L.C.T.C. must undertake are diverse, they include:

Activity	Description
a) Tourism Marketing	The role of the L.C.T.C. is to produce (or encourage production of) materials and promote activities which entice the visitor to Labrador to include Central Labrador on his/her itinerary. Detailed specifically in Table 6.2, the key activities include: • Preparation of lure brochures and distribution locally • Promotion of events • Development of local signage and mapping

Activity	Description
b) Visitor Services	At the present time the tourist chalet is operated by the Mokami Regional Development Association. It would appear, that, as the organization with the primary role of servicing visitors, the L.C.T.C. would be in the best position to assume this activity. In line with this, the hiring of summer staff to man the centre will also be the responsibility of the L.C.T.C. If this is not deemed possible, the responsibility should then be that of the Provincial Department of Tourism.
c) Package and Event Development	The Marketing Plan in the previous section (6.1) addressed the need for improved packaging of the regional activities. The responsibility for implementing local packaging and programming should be in the hands of the tourism corporation. The development of potential new events should also be the responsibility of the organization although a volunteer group would be expected to organize the event.
d) Education and Awareness Programs	One of the key areas of responsibility for the regional tourism corporation should be education aimed at serving 1) the needs of potential members and 2) tourism awareness programs aimed at the general public to increase residents' awareness of the economic benefits of tourism and its contribution to locally owned and operated businesses.

Activity	Description
e) Industry/Government Advocacy	One of the roles the L.C.T.C. should provide is that of a lobbying force which liaises with government on behalf of the regional tourism industry. This would include ensuring that the area is represented in any matters which may affect tourism development, as well as ensuring tourist operations in the region are aware of public sector programs, directions, initiatives, etc. An example of this would be the continued lobby for the road link to the coast.
f) Liaison	It is critical that the organization maintain and foster good communications within the industry. Examples of this would include relations with Destination Labrador as well as local military interests. The membership should be encouraged to contact the organization with any concerns, problems, etc.
g) Market Research Activities	As outlined in the Marketing Section, it is essential for Central Labrador to have a clear and up-to-date understanding of its tourist markets. With this in mind, it is recommended that the tourism corporation be responsible for the overseeing of yearly research activities which provide key information on visitor needs, characteristics and expectations. Although in some cases research activities can be costly, there are opportunities to reduce related expenses through such initiatives as hiring summer students to collect and assess market information, collect visitation information from industry operations, etc.

6.2.2.3 - Structure

The Corporation should strive to have representation on its executive committee from:

- private sector, e.g., accommodation, transportation
- regional development association
- municipalities
- military interests

Membership should encompass the entire tourism spectrum of the area including attractions, accommodations, municipalities, food and beverage, event committees and special interest groups.

Additionally, a good relationship should be maintained between provincial tourism interests and this committee at a local level.

The main ingredient in the successful implementation of local tourism projects will be the continued support of volunteers. As a volunteer-based organization:

- The activities which have been outlined can be organized and undertaken by a volunteer committee system. Consultants will be required where technical guidance is needed i.e., brochure production.

- It is not recommended that the corporation hire any full-time staff other than summer students to man the Tourism Chalet.

- It is recommended that the L.C.T.C. encourage Provincial Tourism Department staff to provide necessary support functions to the organization.

It should be noted that, while this plan does not budget for support staff, it does not preclude the L.C.T.C. from hiring staff outside the recommendations of this report.

As discussed earlier, it may be an option for the management of the Labrador Interpretive Centre to fall under the mandate of the L.C.T.C. This would provide some level of support staffing to the organization. Under this scenario, however, it will be very important for the L.C.T.C. not to get too "caught up" in the operation of the Centre at the expense of other marketing activities.

6.2.2.4 - Budgetary Requirements

Outside of the annual costs of producing marketing materials, etc. it is not anticipated that the organization will require funding.

Staffing of the Tourism Chalet will be a "flow through" cost by hiring summer students on (a) grant program(s).

It may be necessary for the local tourism organization to secure a small amount of funds for such items as travel costs for Destination Labrador meetings, mailing costs, etc. These funds would, ideally, flow through Destination Labrador as it would to all sub-regional tourism organizations.

6.2.3 - Labrador Outfitters Association

6.2.3.1 - Marketing Activities

The Labrador Outfitters Association (L.O.A.) is in the process of assembling a proposal for the hiring of a U.S. based marketing representative on behalf of the organization and its membership. **This plan wholly supports this proposal and, further to this, encourages any further cooperative ventures between outfitters and other sectors of the industry.**

As an organization, it should, with time, work together with transportation carriers and the Provincial Government to establish a series of cooperative packages which can then be marketed by the U.S. representative.

Over time, it will be critical that the linkage between the L.O.A. marketing arm and Destination Labrador become strong. Good communication and a sharing of information and promotional activities will continue to be critical. It is not recommended that the L.O.A. marketing group be physically or organizationally connected with Destination Labrador as the outfitting product remains somewhat distinct in terms of both product and market. Where the two tend to become closer is in the area of non-consumptive outfitting activities or wilderness adventure products. It is in the realm of this activity that the L.O.A. must work with Destination Labrador to establish clear lines of communication and a sharing of marketing efforts. Typically since the selling mechanism for adventure products lies in working with specialty wholesalers which are distinct from hunting and fishing agents, it is more likely that Destination Labrador would be the most logical lead in this area in terms of selling the product. Additionally, as more operators continue to offer more specialty products, the line between general touring and soft adventure will become less distinct, this further suggesting that Destination Labrador should take responsibility for this sector. However, in all cases L.O.A. should be encouraging its members to produce products or create packages which can then be marketed by Destination Labrador and should be assisting in representing this sector where necessary.

The L.O.A. should, in association with Tourism Canada, begin to explore the opportunities afforded by the European marketplace. Good contacts will have to be made on behalf of Labrador operators with European outbound wholesalers specializing in the fishing/hunting product.

Together with Federal assistance, a series of marketplaces should be organized to acquaint European interests with Labrador's outfitting product. Individual outfitters should be encourage to participate in these events on a cost-shared basis with the Federal government.

To be successful, the product must be competitively priced against other key competitors worldwide. The Labrador product must be positioned as a unique, exotic and high quality alternative.

Like any other product, future success will be based on providing a consistently high quality of service and establishing a good relationship between the buyer and the seller.

Despite the fact that the military and outfitting industry have their problems, it may be possible for the outfitting sector to benefit from the presence of military interests in the area. For example, if direct flights from Germany and Holland were put in place to service the needs of the military, it may be possible for outbound wholesalers from these countries to secure low price seats for their customers, thereby increasing the potential of these markets.

6.2.3.2 - Lobbying Activities

The L.O.A. has a strong role to play in representing the interests of the outfitting sector.

Concerns which are, and will continue to affect the industry include:

- The non-regulated use of natural resources by non-residents
- The protection of trophy waters
- The enforcement of policy of the above
- Increased road accessibility into Labrador's wilderness
- Etc.

The outfitting sector's interests, unfortunately, straddle the mandates of a large number of government agencies. The value of the industry to Labrador and the province as a whole must continue to be emphasized when dealing with these agencies in matters which affect the long-term livelihood of the industry.

It will be critical for communication between the outfitting industry and military interests to be increased so that the integrity of the natural resource base of Labrador is maintained.

Policies protecting this resource must be put in place if the sector is to thrive over the longer term.

6.3 Economic Benefit Analysis

6.3.1 - Introduction

The following section will quantify the economic benefits generated in the Goose Bay area, Labrador and the province as a result of the tourism opportunities identified and detailed in our report.

To provide as complete a picture as possible, the economic benefits of construction and those of operation have both been identified.

When possible and appropriate, economic benefits are broken down into direct economic impacts which take place at the opportunities studied and indirect impacts which are the result of the multiplier effect through expenditures at suppliers and as a result of more income (wages) available in the local economy.

6.3.2 - Direct Economic Benefits

i) *Distribution*

While tourism is recognized as one of the key sectors of the economy, the detailing of tourism impact on the province as well as on local communities has received only partial attention in this Province as well as elsewhere in Canada. In fact, the recent Tourism Canada "Economic Impact Study Niagara Falls" is the only properly documented interactive model which attempts to, econometrically, quantify the impact of tourism expenditures on the local as well as the provincial economies.

As detailed in this study:

> *"Impact may be measured in terms of the direct consequences tourist demands have on the allocation of economic resources in the local economy. A number of indicators have been developed to capture and gauge these consequences. These*

> *indicators include gross output or sales to tourists, employment in the industries directly serving tourism, the income of workers so employed, or the proportion of provincial income generated directly through serving tourist demand. Each of these measures describes a different dimension of the impact of demands on economic resources that could be attributed directly to tourism spending."*[2]

The "direct" impact is relatively easy to quantify if expenditure profiles can be determined. Since these impacts relate to local expenditure, by definition the direct effects on the local economy are equal to those on the provincial economy.

> *"Measures of direct impact, however, identify only part of the effects of tourism spending on the economy. Every aspect of economic activity is affected through the purchase of goods and services by tourists and by industries directly serving tourists. This can be demonstrated by tracing the impact of these purchases through the various sectors of the economy. For example, tourist food purchases in a restaurant can be traced back through the wholesale, food and related industries to the agricultural producer. Each supplier in turn will create demands on his suppliers, generating further income and employment. The former purchases fuel, fertilizer and equipment to sustain the requirements generated by tourism expenditures, and his/her purchases in turn give rise to employment and income in those industries supplying him/her, and so on. But the process does not stop here. Industries generate income and this is spent by households and businesses on consumption and investment, creating further demands in the economy in response to the original tourism expenditures. These effects are often referred to as induced effects."*[3]

Economic impacts are usually apparent in two stages during the life of any project:

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[2] *Tourism Community Development Initiative, Economic Impact Study Niagara Falls Executive Summary; Tourism Canada.*

[3] *Tourism Community Development Initiative, Economic Impact Study Niagara Falls Executive Summary; Tourism Canada.*

- There are usually significant one-time economic benefits during the construction period; and,
- There are ongoing annual economic benefits as a result of visitor spending.

Although increased tourist visitation will, in the long run, result in further capital investment, the following analysis focusses more conservatively on the "first round" capital investment and on the operational aspects of these impacts only.

Direct economic benefits to the Province are generated through spending by the visitor in local hotels, restaurant, retail establishments and other attractions.

Other than through the creation of employment (of those unemployed or underemployed), the degree to which a small region can benefit from investments is very much a function of the manufacturing and service support infrastructure available in the local economy.

ii) *Construction*

For purposes of this analysis, the following distribution of construction benefits has been assumed.[4]

- Direct Benefits of Construction

  It is expected that some 50% of the construction work will be sourced locally.

  On the assumption that construction projects will have an average 60% labour component (at a cost including overheads and profit of $25 per hour), every $100,000 will represent some 0.82 person years of direct employment.

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[4] *The assumptions in this section are estimates by MMM based on earlier research undertaken as part of our submission for the P.E.I. link which required a detailed assessment for the Atlantic Canada construction capabilities.*

- Indirect Benefits of Construction

These benefits include the cost of material (40% of the total final cost which is assumed to be sourced 25% locally, 60% provincially and 15% nationally) as well as multiplier effects on the total capital for wage induced and related indirect benefits.

Multiplier effects are assumed at 2.4 times the capital expenditure. Data which will distribute these indirect impacts are not available, however, given the small size of the local economy, based on studies elsewhere in areas with a similar economic base, it is expected that some 5% will stay in the local economy, while 95%[2] will be attributed to economic sectors elsewhere in the province. Other benefits will be distributed similarly to the material sourcing.

Every $100,000 in capital expenditures will, therefore, have an indirect economic benefit as follows:

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[2] *It is assumed, optimistically, that all secondary benefits will remain in the provincial economy.*

TABLE 6.4

CONSTRUCTION INDIRECT ECONOMIC IMPACT PARAMETERS

For every $100,000 of capital

	Local (25%)	Other Province (60%)	Other (15%)	Total
Indirect Benefits	$ 10,000	$ 24,000	$ 6,000	$ 40,000
Other Induced Indirect Benefits[1]	$ 35,000	$ 84,000	$ 21,000	$ 140,000
Total Indirect	$ 45,000	$ 108,000	$ 27,000	$ 180,000
Employment[2] (person years)	0.35	0.83	0.21	1.38

1) 1.4 times the total capital invested.
2) Based on a 40% labour component and $25 per hour average labour charges.

- Total Benefits of Construction

  In summary, construction of projects will have the following distribution of benefits for every $100,000 of capital cost.

TABLE 6.5

CONSTRUCTION TOTAL ECONOMIC BENEFIT PARAMETERS
$100,000 OF CAPITAL

		Total Economic ($'000)	Wage Income ($ '000)	Labour (person years)
Direct	Local	30.0	15.0[1]	0.41
	Other Provincial	30.0	15.0[1]	0.41
	Other	n/a	n/a	n/a
	Total	**60.0**	**30.0**	**0.82**
Indirect	Local	45.0	12.7[2]	0.35
	Other Provincial	108.0	30.2[2]	0.83
	Other	27.0	7.6[2]	0.21
	Total	**180.0**	**50.5**	**1.39**
Total	Local	75.0	27.7	0.76
	Other Provincial	138.0	45.2	1.24
	Other	27.0	7.6	0.21
	Total	**240.0**	**80.5**	**2.21**

1) Wage income is set at 50% of "Total Economic" which includes overheads and profits.

2) Estimated at $17.50 per hour.

iii) Operation

As detailed elsewhere in our report, the projects proposed for the area (both long and short-term) all contribute to an overall image and it is difficult, and somewhat artificial, to isolate the operational impacts of any particular project as all contribute directly and indirectly to increased economic activity in the area. In order to provide an assessment of the potential order of magnitude of these impacts, the following has been assumed.

- For the key projects identified, the direct local benefits are assumed to be equal to the tourist expenditures at the project. Local income benefits are as detailed in the project summaries as are employment levels.

- All other benefits are based on estimates derived for the Ontario Economy[3] adjusted for a smaller Atlantic Canada economy.[4]

  Total direct and indirect provincial economic benefits are estimated at 2.0 times the initial expenditure, while the total labour income and employment multiplier are also estimated at 2.0 times direct employment (i.e. every 1 job on site represents a further 1.0 jobs elsewhere in the Provincial economy). It is assumed that all of these indirect jobs will be outside the area.

- The benefits of all other projects will be based on the assumption that collectively, all the projects will conservatively increase visitor stay in the area by one day and that of the average daily expenditures of $28.00,[5] 50% will be spent in facilities other than those identified as priority projects (to prevent double counting). The Niagara Falls study indicates that every $100,000 of tourism expenditures represents 5.62 person years of employment (2.44 locally and 3.18 elsewhere in the Provincial economy). For Newfoundland/Labrador, this has been scaled down to reflect the smaller economy to a total of 4.68 jobs for every $100,000 of tourist expenditure of which 50% will be local and 50% elsewhere in the economy. Local wage income is estimated at 46.9% of the total direct expenditure while local labour represents 2.34 jobs for every $100,000 of tourist expenditures.

  Based on the Niagara Falls Study, total wage income for every $100,000 of direct expenditures was estimated at $135,000 of which approximately $59,000 was in the local economy and $76,000 elsewhere in the Provincial economy. Total provincial output has also been estimated at 2.0 times the initial expenditures.

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[3] *Niagara Falls Economic Impact Study*

[4] *M.M.M. estimates.*

[5] *Taken from Table 3.3 Background Report.*

Our projections indicated new tourist visitation of 7,700 as a result of these investments and new marketing initiatives. This represents new tourist expenditures in addition to those identified for the high interest projects of $107,800.[6]

The operational parameters for the key projects are summarized in the following tables.

TABLE 6.6
OPERATION TOTAL ECONOMIC BENEFIT PARAMETERS

HIGH INTEREST OPPORTUNITIES

Item	Local	Other Provincial
Direct Expenditure	$ 61,800	0
Direct Employment	12.3 person years	0
Direct Wages	$ 128,000	0
Indirect Employment	0	1.0 times local
Indirect Wages	0	1.0 times local
Indirect Economic Benefits	0	1.0 times Direct Exp.

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[6] *3,900 Visitors with an expenditure of 50% of $28.00*

TABLE 6.7

OPERATION TOTAL ECONOMIC BENEFIT PARAMETERS

TOTAL TOURISM DEVELOPMENT AND MARKETING PROGRAM

Item	Local	Other Provincial
Direct Expenditure	$ 107,800	0
Direct Employment	2.34/$100,000 of Direct Exp.	0
Direct Wages	46.9% of Direct Exp.	0
Indirect Employment	0	1.0 times local
Indirect Wages	0	1.0 times local
Indirect Economic Benefits	0	1.0 times Direct Exp.

6.3.3 - Summary of Economic Benefits

6.3.3.1 - Construction Impacts

Impacts are a function of the type of project constructed and the total capital invested. As input for the analysis, the distribution by type of project is summarized in Table 6.8.

The economic benefits of the combined $2.1 million investment program total some $5.0 million, most (89%) within the province. As further detailed in the Table this capital investment will result in 46.3 person years of employment; 15.9 person years (34%) in the local area and 26.0 person years (56%) elsewhere in the province.

6.3.3.2 - Operations Impact

As detailed in the previous section, operating economic benefits can be detailed specifically for the key projects and more generally for all projects combined as these result in higher levels of tourist activity in the Goose Bay area.

Table 6.8
Construction Impacts

CONSTRUCTION COSTS ($'000)
::::::::::::::::::::::::::

Priority Projects- $2,096

	"4" PRIORITY PROJECTS			
	LOCAL	OTHER PROV.	OTHER	TOTAL
Direct Economic Benefit:				
Total ($'000)	628.8	628.8	0.0	1,257.6
Wage Income ($'000)	314.4	314.4	0.0	628.8
Labour (person yrs)	8.59	8.59	0.00	17.19
Indirect Economic Benefit:				
Total ($'000)	943.2	2,263.7	565.9	3,772.8
Wage Income ($'000)	266.2	633.0	159.3	1,058.5
Labour (person yrs)	7.34	17.40	4.40	29.13
Total Economic Benefit:				
Total ($'000)	1572.0	2892.5	565.9	5030.4
Wage Income ($'000)	580.6	947.4	159.3	1687.3
Labour (person yrs)	15.93	25.99	4.40	46.32

MULTIPLIER ON CAPITAL INVESTED	
Total	2.40
Wage Income	0.81
Labour (person yrs/$100,000 of investment)	2.21

Table 6.9 indicates that the economic benefits of operations are notable as tourist expenditures are expected to increase some $170 thousand over current levels. It is estimated that this expenditure will result in some $339 thousand in additional economic activity in the province annually. As further detailed this activity results in 17.9 person years of employment, 50% of which will be in the local area, while the remainder will be elsewhere in Labrador or the remainder of the Province.

6.4 Sources of Funding

The development of tourism in Labrador and, specifically, in the Lake Melville Area, will require both public and private sector involvement. The purpose of this section is to profile the potential sources of funding for which development projects in Central Labrador may be eligible. Based upon our extensive work previously carried out in the province, the following table summarizes funding programs which may be accessed.

Table 6.9
Economic Impact of Operations

OPERATING PARAMETERS ($'000)

Priority Projects:
Tourist Expenditures $61.8
Employment Income $128.0 note: most projects do not generate
Employment (person yrs.) 6.4 revenue

General Tourist Activity Through Upgrading/marketing:
Tourists in local area 7,700 visitor days
Expenditures (50% of act $14.00 per visitor day
TOTAL ADDITIONAL $ $107.8

	'A' PRIORITY PROJECTS				'B' GENERAL INCREASED TOURIST ACTIVITY				ALL PROJECTS COMBINED			
	LOCAL	OTHER PROV.	OTHER	TOTAL	LOCAL	OTHER PROV.	OTHER	TOTAL	LOCAL	OTHER PROV.	OTHER	TOTAL
Direct Economic Benefit:												
Total ($'000)	61.8	0.0	0.0	61.8	107.8	0.0	0.0	107.8	169.6	0.0	0.0	169.6
Wage Income ($'000)	128.0	0.0	0.0	128.0	50.6	0.0	0.0	50.6	178.6	0.0	0.0	178.6
Labour (person yrs)	6.40	[illegible]	0.00	6.40	2.52	0.00	0.00	2.52	8.92	0.00	0.00	8.92
Indirect Economic Benefit												
Total ($'000)	0.0	61.8	0.0	61.8	0.0	107.8	0.0	107.8	0.0	169.6	0.0	169.6
Wage Income ($'000)	0.0	128.0	0.0	128.0	0.0	50.6	0.0	50.6	0.0	178.6	0.0	178.6
Labour (person yrs)	0.00	6.40	0.00	6.40	0.00	2.52	0.00	2.52	0.00	8.92	0.00	8.92
Total Economic Benefit:												
Total ($'000)	61.8	[illegible]	[illegible]	123.6	107.8	107.8	0.0	215.6	169.6	169.6	0.0	339.2
Wage Income ($'000)	128.0	128.0	[illegible]	256.0	50.6	50.6	0.0	101.1	178.6	178.6	0.0	357.1
Labour (person yrs)	6.40	6.40	[illegible]	12.80	2.52	2.52	0.00	5.05	8.92	8.92	0.00	17.85
MULTIPLIER ON DIRECT EXPENDITURES:												
Total				2.00				2.00				2.00
Wage Income				4.14				0.94				2.11
[illegible]				[illegible]				[illegible]				[illegible]

TABLE 6.10

POTENTIAL SOURCES OF FUNDING

PROGRAM	PURPOSE	ELIGIBILITY	ASSISTANCE
CANADA/NEWFOUNDLAND TOURISM DEVELOPMENT SUBSIDIARY AGREEMENT • Program Expires March 31, 1989	• To strengthen the national and international competitiveness of Newfoundland's tourism industry. • Objectives of Agreement are: - attract more non-resident tourists - increase length of stay - increase travel of Newfoundland residents in province. - extend tourist season - increase tourist experience by enhancing activity base	• Private sector defined as any individual corporation, partnership, co-operative association or trustee representative thereof, regardless of ownership or taxation status. • Public sector defined as the federal, provincial, municipal governments/ agencies. • Initiatives will be supported which would not likely proceed without support from tourism agreement. • Applicants must demonstrate viability of initiative. • Initiatives must provide net economic benefit to Newfoundland.	• Varies with program.
Component 1: Travel Generators	• To develop new or consolidate existing major travel generators. • To develop and increase	• Non-profit organizations, associations and corporations as well as federal, provincial, and municipal governments.	• Up to 90% of cost of study.
	• To develop and increase community support for travel generators.	• Proponent must provide, at minimum 10% of project cost.	
Component 2: Tourism Incentives	• To provide financial incentives to the private sector for the development expansion and upgrading of attractions, food service and accommodation facilities.	• Open to private sector applicants. • Available for feasibility analysis, capital cost to establish new development, to modernize hotels/motels, hospitality homes, etc. • Available for attractions development including commercial, recreational facilities, events and festivals, tour operators.	• Contributions for project will be up to 50% of eligible costs for accommodation development and up to 60% for attractions development.

PROGRAM	PURPOSE	ELIGIBILITY	ASSISTANCE
Component 3: Industry Organization	• To strengthen the long-term viability of tourism industry associations in Newfoundland and to provide a broader range of services to the tourism industry	• Open to the regional industry associations of Newfoundland/Labrador and/or affiliated tourism associations. • Includes funding for training courses for skills and hospitality industry, developing informational brochures, membership fieldwork activity, awareness campaigns, etc	• Contributions of up to 100% for complementary programming for the development of management and technical training programs.
Component 4: Marketing	• To coordinate marketing activities in the areas of research, promotion, communications, and tour development. • To encourage and support private sector involvement in tourism marketing	• Open to private and public sector applicants for the following types of projects: - marketing of facilities under the Subsidiary Agreement. - cooperative advertising - package tour development - study tours - trade show participation - market research - special promotions	• Contributions of up to 75% to private sector. • Contributions of up to 90% of eligible costs will be made to the public sector
CANADA/NEWFOUNDLAND RURAL DEVELOPMENT SUBSIDIARY AGREEMENT II	• To enable Canada and the province to coordinate each government's programs and activities aimed at the following: a) To strengthen and revitalize the rural sector of the province b) To support rural enterprises	• Funding provided to Development Associations Newfoundland and Labrador Rural Development Council, Craft Associations and Co-operative centrals. • Small rural businesses, cooperatives in manufacturing and resource related sectors. • Craft producers	• Varies with program.

PROGRAM	PURPOSE	ELIGIBILITY	ASSISTANCE
DEPARTMENT OF REGIONAL INDUSTRIAL EXPANSION	• To offer direct assistance to industry.	• Private sector.	• Varies with program.
Program 1: Atlantic Enterprise Program (ACOA)	• To provide loan insurance and interest buy-down to a wide variety of manufacturing, industrial and business services and tourism sectors.	• An individual, partnership cooperative or body corporate (Private Sector) • Projects in the Tourism Sector must be of quality and scope to attract international or interprovincial tourists.	• Loan insurance for a maximum term of 15 years; and interest buy-downs to a maximum of 6% or 1/2 of loan rate for a period of 7 years.
Program 2: Small Business Loans Guarantees	• To help small business obtain term credit for a wide range of business improvement purposes.	• Small business enterprises defined as having estimated gross annual revenue of less than 1,500,000 • No working capital loans.	• Guarantees loans made through the chartered banks at a rate 1% higher than the prime lending rate.
FEDERAL BUSINESS DEVELOPMENT BANK			
1. Term Loans	• Available for: 1. Purchasing fixed assets eg land 2. Replenishing deleted working capital. 3. Refinancing liabilities 4. Assisting in financing the purchase of existing businesses	• Geared towards small and medium sized enterprises.	• Consists of a mortgage on the business' fixed assets and/or a floating charge on the business' other assets.
2. Loan Guarantees	• Loan guarantees are provided to chartered banks and other financial institutions to enable a business to obtain a full operating line of credit.	• Small and medium sized businesses.	• Consists of a mortgage on the business' fixed assets, and/or a floating charge on business' other assets.

PROGRAM	PURPOSE	ELIGIBILITY	ASSISTANCE
3. Equity Financing	Designed to accommodate corporate growth at a time when additional borrowing might exert undue strain on each flow.	Small and medium sized business enterprises.	Program facilitates the arrangement of other financing e g grants, guarantees, performance bond.
4 Direct Loans (Department of Finance)	• Program assists in the development of particular industries.	• All types and sizes of businesses are eligible depending upon circumstances and available security.	• Loans are provided to finance the purchase of equipment and machinery; to finance certain types of expansion, or to provide working capital direct loans or ban guarantees.
DEPARTMENT OF CULTURE, RECREATION AND YOUTH			
Historic Resources Division	• Grants are available to cover operating costs for small community museums.	• Small community museums. • Only available to cover operating costs.	• Assistance does not exceed $2,000.
Newfoundland Heritage Foundation	• To protect historic building stock	• Any private sector operation which is a historic resource.	• Matching fund of up to $10,000.
NEWFOUNDLAND/ LABRADOR DEVELOPMENT CORP.	• Non-sectoral assistance to small/medium sized businesses to locate in Newfoundland.	• Private Sector	• Financing projects where capital costs, excluding working capital does not exceed $2 5 million.

PROGRAM	PURPOSE	ELIGIBILITY	ASSISTANCE
Venture Capital Program	• To encourage private sector participation in providing risk capital and manage expertise to eligible businesses.	• Private Sector	• Gov't agency provides equity (max. of $1,000,000) to match private sector investment.
DEPARTMENT OF FISHERIES AND OCEANS (Small Craft Harbours Directorates)			
Marina Policy Assistance	• To encourage development of public facilities for recreational boaters, especially those which might be used as tourist facilities.	• Anyone who will give new shoreward for the boating public.	• Department of Public Works will construct breakwater and/or provide the initial dredging in the public areas. The developer must provide on-shore facilities of equal dollar value
Tourist Wharf Program	• To assist in the building of wharves and launching ramps in an area which has potential to be a popular site for tourists.	• Canadian businesses.	• Assistance is given on a case by case basis and the amount could exceed $15,000

PROGRAM	PURPOSE	ELIGIBILITY	ASSISTANCE
CANADA EMPLOYMENT AND IMMIGRATION CANADA Canada Works	• To create jobs in areas of high unemployment. To respond to emergencies caused by major industry shutdowns in dependent communities and to encourage private sector participation developed under the original NEED program.	• Project sponsors: Organizations, registered businesses, corporations, municipalities. • Participants: Laid off workers U.I. exhausters, U.I. recipients, social assistance recipients and communities and industries designated by ILAP as experiencing high levels of unemployment. • Employment creation must be incremental - it cannot displace existing workers.	• Subsidy of employment cost up to 52 weeks.
CANADA JOBS STRATEGY **Program 1:** Skill Investment	• Support for on-and-off-the-job training for workers whose jobs are threatened by changing technology or economic conditons • Assistance will be directed to those most in need long-term unemployed, youth, women re-entering labour market, workers in communities suffering severe decline	• Open to individual workers, owners/managers at small business, employee associations	• Training assistance can last up to three years, full or part time • Government provides 25-60% of wages during training

PROGRAM	PURPOSE	ELIGIBILITY	ASSISTANCE
Program 2: Job Entry	• To assist young people and women to enter labour market	• Projects may be sponsored by business, labour, community groups, the public sector or individuals	• Provides up to 52 weeks of training and practical work experience
Program 3: Job Development	• Provides assistance for long-term unemployed in context of local economic growth and potential	• Businesses, community groups, municipalities, individuals and the voluntary non-profit sector can act as sponsors	• Projects can last up to 52 weeks combining on-site training with off-site training as required • In non-profit sector, program can cover up to 100% of total project cost
Program 4: Skills Shortages	• Provides assistance to ensure that critical skill shortages are alleviated	• Assistance available to employers who wish to upgrade skills of current employees or train new employees	• Assist for training can last up to three years • Reimbursements cover 60% of wages during off-th-job-training and 25% during on-the-job training up to $350 per week
Program 5: Community Futures	• Provides help for workers in communities facing chronic high unemployment	• Assistance available to communities faced with chronic unemployment and economic decline but which have some permanent growth and development opportunities	

PROGRAM	PURPOSE	ELIGIBILITY	ASSISTANCE
Program 6: Innovations Program	• Provides assistance to provide financial assistance for pilot and demonstration projects which test new solutions to labour market problems Emphasis on creativity	• Open to individuals or groups anywhere in Canada. Proposals may include new training technologies, new delivery systems for learning, innovative bridging programs to help workers entering or re-entering the work force, alternative work arrangements, more effective links between training and job creation. • Initiatives must offer something new and different, aimed at generating real change to the labour market	• Approved initiatives will receive support generally in the form of contributions on a cost-shared basis
CHALLENGE SUMMER EMPLOYMENT/ EXPERIENCE DEVELOPMENT	• To create opportunities to prepare students for future labour market	• Eligible sponsors include businesses, cooperatives with share capital and non-profit organizations, individuals acting for unincorporated associations, municipalities and education institutions, native band councils	• For non-profit sector employers, a wasge subsidy up to the provincial adult minimum wage rate will be provided

Appendixes

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Appendix A

Specialty Market Analysis

APPENDIX A - SPECIALTY MARKET ANALYSIS

This section of the report details the size and character of various markets which were seen to be of priority to the study area.

The information included in this section results from the following process:

- An analysis of the size and character of key geographic markets and their interest in outdoor/cultural travel experiences[1] based on recent motivational studies undertaken for the Canadian, U.S. and other international markets.
- A further refinement of this data to assess the size of these travel populations with an interest in Arctic destinations generally (using Labrador and the Northwest Territories as recognized Arctic locations).
- Specialty market analysis for key activities, (these being fishing, hunting, wilderness adventure, cruising and cultural/general tours) using various data sources, a contact program with knowledgeable wholesalers/operators/ organzations and a competitional analysis to determine the character, needs growth potential and expectation of each market segments.
- Finally, bringing these two pieces of information together - the size/character of specialty markets with the size/interests of geographic markets - **we defined the relative potential of the study area in each market grouping.**

It is important to recognize that this is an exercise based on data from differing sources, survey techniques and projection methods. Data may be based on past travel, others on projected/anticipated travel patterns. **It should be seen as an order of magnitude comparison of various markets for strategic positioning/marketing purposes rather than a detailed market projection.**

To undertake this task we have used a variety of information sources, including:

- Canadian Tourism Attitude and Motivation Study, Burak Jacobsen for Tourism Canada, 1986.

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1) *"Outdoor" and "culture" were the key determining characteristics used to reflect the destination in question.*

- U.S. Pleasure Travel Survey, Longwoods Research Group for Tourism Canada, 1986.
- Pleasure Travel Markets to North America, for France, United Kingdom, Japan and West Germany, Tourism Canada and U.S. Travel and Tourism Administration, 1987.

A1 GEOGRAPHIC MARKETS

The following generalizes the character of key geographic markets for Central Labrador:

A1.1 The Canadian Travel Market

The Canadian Travel Market is important to this study, as the vast majority of trips within Canada and to the study area are taken by Canadians.

The Canadian Tourism Attitude and Motivation Study was a major effort to understand the Canadian market, its motivation and interests. It broke out the market into 42 subgroups which differ in terms of their trip characteristics, demography and frequency of travel.

After a review of the product offered in Central Labrador presently and potentially in the future, we have sifted through the various subgroups to find those with activities/interests/motivations which best match this product.

- The "Planned Adventure" whose interests lie in the outdoor product, falls into two different groups; those who travel for "experiences" or those who travel for active participation.
- This market travels to:
    - experience new and different lifestyles
    - visit historical sites
    - experience simple lifestyles
    - participate in sports, be physically active
    - be daring and adventurous
    - water sport events
    - have fun, be entertained
    - find thrills and excitement
- Important to their travel experience are:
    - wilderness, undisturbed nature
    - National/Provincial Parks

- lakes and streams
- mountains
- outdoor recreation

and often

- museums/art galleries
- cultural activities

- Travel arrangements are sometimes made with an agent, this market prefers to go to a different place each vacation.
- This market takes 90% of its trips in Canada, takes one or more vacation trips per year, travels in July to September (85%), is away for 7-8 nights on average and travels with friends.
- In future this market will travel more, and therefore can be viewed as a growth market.
- **In total, the size of the Canadian market who fits this profile is estimated at 3.7% of the population.**

The remaining 96.3% of the population can be characterized as individuals who would have little interest in travelling great distances to experience the northern culture and outdoor recreational pursuits offered at these locations.

A1.2 U.S. Travel Market

Canada's and Labrador's most important source of foreign visitors is the United States.

The U.S. Pleasure Travel Survey, which does not include business travel, breaks down the market for Canada according to eight vacation types. Two groupings, the "visiting friends and relatives" and "close to home" vacations are of little interest to the study. Table A1 summarizes the remaining six categories.

It would seem that travel to Central Labrador will be comprised primarily of three of these market categories; these being the outdoor vacation, the touring vacation and the cruise vacation. In the case of touring, we must view Central Labrador as part of an overall multi-modal tour of the province or a tour of Labrador rather than the typical "auto-touring" market.

Table A1

U.S. PLEASURE TRAVEL MARKET

Trip Type	Touring	Outdoors	City	Resort	Theme Park/ Special Event	Cruise
Key Differentiating Goals	• Doing something different • Experiencing different cultures, ways of life • Visiting a place I've dreamed of visiting	• A true getaway holiday • Physical activity • Fishing, hunting, camping • Experiencing a simpler lifestyle	• (Not) resting and relaxing • Activity-related: dining, shopping, viewing the sights • Visiting friends and relatives	• Resting and relaxing paramount • Restful activities . Swimming . Sunbathing . Beach	• Activity-filled holiday • Thrills and exitement, fun and enjoyment • Being together as a family	• Experiencing difference • Different cultures, ways of life • Resting and relaxing • Being entertained
Key Differentiating Activities	• Visiting small towns and villages • Visiting natural parks • Visiting museums and galleries • Visiting big cities	• Exploring wilderness areas • Being by a lake • Seeing wildlife I don't usually see • Visiting natural parks • (Fresh-water) fishing	• Shopping • Museums and galleries • Live concerts and live theatre • Sporting events	• By the ocean • Swimming • Sunbathing • First class hotels • Elegant, sophisticated restaurants	• Taking (amusement) rides • Attending sporting events	• Taking guided tours • Shopping for arts and crafts • Dining in elegant, sophisticated restaurants
Attributes on which preferred destinations differed from other types	• (Not) dull • Well-known landmarks	• (Not) too wild • Real adventure • Not too far away • Good for hunting and fishing	• First class hotels • (Not) dull • Elegant, sophisticated restaurants	• Exciting • Good for walking or strolling about	• Attractions for all ages • Something the children would enjoy • World-class	• Being different • A real adventure • Offering all the comforts

U.S. PLEASURE TRAVEL MARKET

Trip Type	Touring	Outdoors	City	Resort	Theme Park/ Special Event	Cruise
Key Differentiating Travel Patterns						
• Length of stay:	Longer (8 days)	Short (3-1/2 days)	Short (3-1/2 days)	Medium (5 days)	Medium length (4 days)	Longer (6 days)
• Travel agent involvement:	Some (15%)	Negligible	Limited (10%)	Some (23%)	Some (14%)	Heavy (67%)
• Planning period:	Longer (1-2 months)	Short (< 1 month)	Short (< 1 month)	Longer (1-2 months)	One month plus	Longest of all (3 months plus)
• Package deals:	Some (23%)	Negligible	Limited (11%)	Some (20%)	Some (13%)	Heavy (65%)
• Mode of transportation:	60% car plus plane and bus	Almost all rubber tire	Car then plane	Car and plane	Car then plane	Plane then car (after cruise ship)
• Type of accommodation:	More motel than hotel	Campground/ Trailer park	Hotel more than motel	Hotel then motel	Motel then hotel	Ship
• Travel party:	Older	Families, friends, children	All groups	All groups	Families with children	Skews to older people
• Destination	Pacific, Quebec, Ontario, Rockies, Maritimes	Rockies, Pacific Coast Ontario, Quebec, Northern Manitoba, Saskatchewan, Arctic, Newfoundland	Toronto, Montreal, Vancouver			

U.S. PLEASURE TRAVEL MARKET

Trip Type	Touring	Outdoors	City	Resort	Theme Park/ Special Event	Cruise
Major Demographic Skews (Relative to U.S. Pleasure Travellers in General)	• More likely to be: . Married . Retired . Older . High income . College educated	• More likely to be: . Blue collar . Young . Male . Smaller urban centres	• More likely to be: . Single . Young . College educated	• More likely to be: . High income . College educated . (Slightly) younger	• More likely to be: . Young . Single . Larger households . Two-income families . Full-time employed	• More likely to be: . Much older . Retired . White collar occupations . High income . College educated
% of U.S. Pleasure Travel Market	14%	10%	70%	8%	3%	1%
Canada's share of segment	37%	20%	8%	3%	2%	1%

The Outdoor Vacation

The U.S. Outdoor vacation totaled 55 million trips in 1985 of a total of 468 million trips, therefore constituting 12% of the U.S. travel market.

Other studies undertaken by such sources as Travel Data and Market Facts have estimated this market in broader terms to represent approximately 30% of the population.

Utilizing the more narrow definition of outdoor trips, **1.6 million or 3% of all outdoor trip types took place in Canada.**

At an average length of 6.3 nights this translated into 20% of total U.S. trip nights taken into Canada. **When compared to the total number of such trips taken by U.S. residents at any location, Canada's share of this travel market is 5.4% of trip nights. Foreign destinations captured 7.2% of trip nights.**

The outdoor trip is typically taken to a natural area where such activities as camping, hunting, fishing, hiking, or rafting are undertaken. The outdoors trip is traditionally taken by a younger American family with children, travelling by surface transportation to a campground or trailer park. This type of trip is typically quite short and is thus taken fairly close to home. This limits the suitability of the far north to realistically fall into this category of travel.

The Arctic typically attracts the more rugged and strenuous activities such as climbing, white water rafting, ice fishing or trophy hunting. **Rather than being included in the more broad definition of "outdoors" vacation, the market for Central Labrador generally reflects the vertical interest segments that are smaller in number than the broader market described in this survey.**

Generally, however in attracting the broader outdoor market, appealing features of an are a include scenery, lots of activities to see and do, being not too wild, real adventure and good climate.

The survey went on to discuss Canada's image in the U.S. market place with respect to outdoor holidays.

Americans typically think of Canada's natural features being beautiful and its fishing and hunting opportunities good, however, American's see their own country as offering these same features.

Therefore, Canada's and specifically the north's strengths in attracting the outdoor vacation market must be in the promotion of it being more natural and untouched and the different lifestyle it affords the traveller.

Further analysis undertaken in the process of this survey revealed that Canada has **specific appeal to a smaller group of outdoor vacationers who typically take a longer holiday, are more interested in hunting/fishing and exploring wilderness areas.**

The group is not "mainstream USA", rather are a market seeking a sense of adventure and looking for natural, untouched areas.

Our analysis indicates that the Arctic has potential to attract only 2% of Canada's overall potential for a total of 98,000 persons.

The Touring Vacation

The U.S. touring market totaled 34 million trips in 1985 of a total 468 million trips, therefore constituting 7% of market share by trip type. Canada received 2.3 million trips or 6.8%.

Of an average length of stay of 8.1 nights, this translates into 37% of all types taken by U.S. residents in Canada. When compared to the total number of such trips taken by U.S. residents at any locations, **Canada's share of this market is 6.8%** while foreign destinations is 19.2%.

The survey therefore indicated that the touring trip has the highest potential for tourism development in Canada. This trip has no single focus.. Instead a mix of individual products are offered. It is typically a longer trip taken by air (20%), bus (14%) and rented cars (12%). Hotels/motels are the main types of accommodations utilized.

Main attractions for this market includes areas which offer beautiful scenery, are not dull, and have lots to see and do.

Canada's edge in developing this market was seen to be our image as being a "different culture and way of life".

In the case of the far north, touring can only be considered to occur when persons come to the study area and visit a number of different communities or as part of an overall tour of the province.

The northern touring vacation exemplifies Canada's unique blend of cultures - where the traditional lifestyles of the Inuit and southerners meet in our northernmost frontier.

Cruise Vacations

In total in 1985 3 million trips were made by Americans or 1% of all trips. At an average length of stay of 6.3 days, this market also constituted 1% of total trip nights.

At present 0.1 million trips or 10% of all trips took place in Canada.

At an average length of stay of only 2.7 days in Canada, **Canada's share of this travel market is 1.5%** while other foreign destination capture 65.5% of total trip nights.

This market wants to experience different cultures while resting and relaxing. The market wants adventure while experiencing some level of comfort. It is typically an older market of high income.

As a whole, this market ranks fifth after touring, outdoors, city and theme park vacations.

When cruise vacationers were asked for preferred destinations in Canada, the Arctic ranked very low at 4%.

A1.3 Overseas Travel Markets

The following is an overview of four (4) major overseas pleasure travel markets from a review of data from Tourism Canada. The size, character and potential of these four markets with respect to various vacation experiences is highlighted as it relates to the Central Labrador product.

French Travel Market

- The target market of French travellers is 7.1% of the population or 2.88 million persons.

  This market is generally younger (age 18-44), educated and affluent. This market has taken its trips by plane (51%) to such destinations as France (29%), North Africa (19%) the rest of Europe (43%) and elsewhere (75%). Past visitation to Canada by this market is in the order of 8%.

- Travellers to Canada and the U.S. tend to be younger (age 25 to 34), better educated, single or couple, middle income from West Paris or Central East.

- Trips taken to Canada have the following profile:

  - generally seventeen or more nights in length (17%), which is longer than to other destinations.

  - taken in the summer (50%), fall (25%), winter (12%) and spring (9%). There is more orientation to summer travel to Canada than other destinations.

  - are made to visit friends and relatives (42%) combined business and pleasure (29%), touring (15%), outdoor recreation (6%), cruise (less than 0.5%). Both 'outdoor' travel and cruise travel are more strongly focussed to other destinations at 7% and 3% respectively, while VFR and touring are stronger motivations to visit Canada.

  - party size is 2.8 to Canada while the mean is 3.5 persons to other destinations. Fewer travellers to Canada do so with children.

  - require a 21.3 week planning period. This is below a mean time of 28.6 weeks for all destinations, 38.0 for U.S. destinations.

  - sources of information for the trip are VFR-based (44%), travel agent (32%), brochure or airline (15%), clubs/associations (14%), articles and advertisements (12%).

  - are less "packaged" than to other destinations (at 17% for Canada compared to 24% universally). Again guided tours are less common in Canadian visits.

- Activities participated in while in Canada by this market include visiting scenic landmarks (70%), VFR (68%), visiting national parks and forests (64%), visiting with local inhabitants (61%), viewing wilderness (59%), seeing wildlife and birdwatching (49%). Canada's activity profile shows stronger participation than other destinations in the areas of visiting parks/forests, mountainous areas, wilderness activities, wildlife activities, climbing. Fishing falls below other activities at 9% (compared to 16% on average), hunting at 3%.

- This market saw Canada as a potential destination (30% of market) while 7% viewed it as their top choice. Further 49% of these individuals saw their visit as being "very likely" to occur.

  The two top destinations which reflect our product included Labrador (15%) and the Yukon (2-4%).

- The study broke out the market into various homogeneous subsections. Of interest to our subject area:

  1. Physical Activity (26% of market)

     - primary target market is male, age 18 to 24, single, educated and lives in Paris or Central France
     - market travels to the U.S., Caribbean
     - reads L'Equipe and L'Equipe Magazine
     - 18% have visited Canada, 70% may do so in future to such destinations as Newfoundland/Labrador (14%)

  2. Adventure (30% of market)

     - less enthusiasm for Canada than physical activity market. Appeals to rough, outdoor, thrill activities which are reasonably priced.
     - market is male, age 18-34, single or living together, educated, lower income from Paris-Central
     - uses magazines and newspaper articles to make destination choice
     - reads Le Monde, Liberation, Le Nouvel Observateur, Actuel, and Geo.

  - 90% have visited Canada, 8% may do so in future to such destinations as Labrador (18%)
  - has strong interest in Ontario and Georgia as destinations

- A second crosstabulation of data gave the product segment the "Outdoors and Subcultures" (at 21% of the market) which is interested in hiking/climbing, wilderness, meeting unique cultural groups and open space. 8% want to visit Canada, specifically Alberta, B.C., the Northwest Territories and Labrador. The key here is to promote more unusual destinations to this young, male profile.

  In total Canada's strongest potential in the French market lies in the area of nature - national parks, wildlife, scenery, fishing/hunting and hiking/climbing activities. The limiting factor which concerns this market is the cost of travel to Canada and the value received for money spent.

West German Travel Market

- The target population of international travellers is 8.9% of the population or 4.3 million persons.
- This market is generally younger (25-34), education and of higher household income.
- The most popular destinations were West Germany, North Africa, Europe or elsewhere. In the last category the most popular destination was the U.S., Asia/South Asia and Central/South Africa. Past visitation to Canada is in the order of 8%.
- Travellers to Canada and the U.S. tend to be, compared to the average traveller, older (45 years older), married, less educated, higher income and living in the north (Schleswig-Holstein/Hamburg) and South (Baden-Wurtemburg)
- Trips taken to Canada exhibit the following character:
  - average trip duration is 27 days, longer than to other destinations
  - occur in summer for the most part (56%), which is highly skewed compared to other destinations

- travel to Canada is to visit friends and relatives (45%), resort (17%), business and pleasure (14%), outdoor (12%). In general terms this market travels for resort holidays. Outdoor trips typically account for only 4% of the market, cruising for 2% of trips.
- travel planning time is longer for Canada than other destinations (30.5 weeks)
- independent trips are proportionately more frequent among trips to Canada (53%) than to the U.S. or other destinations.

- Activities on a trip to Canada included sightseeing in cities, visiting places of historic interest, taking pictures, dining out. Canada has more participation in the following activities over other destinations: visiting national parks (17%), wilderness areas (54%), VFR (46%), mountainous areas (46%), wildlife/birdwatching (30%), climbing/hiking (31%), fishing (21%), hunting (9%). In terms of the latter form of activities, this in contrast to general participation rates of 27%, 21%, 7% and 3% respectively.

- Canada was the top choice of 10% of travellers for future travel, 28% of top five choices. Specific destinations mentioned were Quebec (17.2%), Ontario (70%) and B.C. (42%). The Yukon received 9% of mentions, Newfoundland/Labrador (17%).

- By travel benefits, key groups with interest in a product such as Central Labrador include:

1. Adventure (16%)
    - primary market is young (18-34), single, better educated, no children, lower income
    - reads Die Zeit, Spiegel or Geo
    - looking for ways to be daring and adventuresome and to find thrills and excitement, simple lifestyle
    - less enthusiasm for North American destinations, interest in the Yukon
    - opportunities must be reasonably priced, rough, outdoor

  - Interest in visiting Quebec (57%), Ontario (67%), B.C. (37%), Newfoundland/Labrador (17%), Yukon (22%)

2. Physical Activity (25%)

  - similar to adventure but not looking for same element of risk and danger
  - middle aged (35-54)
  - reads Bild Zeitung, Bild am Sonntag, Stern
  - primary target market for Canada
  - interest in visiting Ontario (66%), Quebec (59%), B.C. (32%), Newfoundland/Labrador (17%)

- Analysis yielded product segments of interest to Central Labrador:
  - Culture and Nature (12%)
    - seeks history, old cities, different cultural groups, scenery and wildlife
    - interest in B.C. (40%) and Yukon (17%)
  - Outdoor Sports (10%)
    - smallest segment with strong interest in mountains, wilderness, campgrounds
    - enjoys strenuous activities e.g. hiking/climbing fishing, hunting
    - less interest in entertainment features of a destination
    - interest in visiting B.C. (40%), Quebec (51%), Yukon (24%), Newfoundland/Labrador (22%), Alberta (17%)
    - largely an undeveloped part of North American market which is likely to grow

- Canada's highest activity rankings were seeing wildlife in a natural setting, fishing/hunting, national parks and scenery. Strong activities include hiking/climbing, snow skiing, local people and unique cultural groups.

  Canada's image is one of being cold, scenic and not too exciting.

United Kingdom Travel Market

- International travellers are 49% of total population or 2.0 million travellers.

- Travel to Canada tends to be taken by an older (55+), divorced/separated/widowed, skilled worker, less educated, less affluent person living in North England and Scotland.

  Specifically travel to Canada is:

  - 78% VFR-based travel, touring (15%), cruise (1%)
  - average duration is 28 nights
  - occurs in summer (51%)
  - trip planning is typically 28 weeks in advance
  - independent trips are proportionately more frequent to Canada (85%) than to other destinations

- Popular activities while on a trip to Canada include sightseeing in cities (86%), shopping (86%), taking pictures (83%). Canada has strength in VFR activities, scenic landmarks, national parks, live concerts/theatre, climbing/hiking (12%) and fishing (14%) also had higher appeal for Canadian destinations, while hunting only interested 2% of the travel population.

- Canada was seen as a likely destination by 28% of travellers, specific destinations being Ontario (86%), B.C. (73%) and Quebec (63%). Less popular were Newfoundland/Labrador (8%), Yukon (6%), Northwest Territories (3%).

- By travel benefits, the adventure traveller (35% of market) is:

  - looking for an active holiday, something different. It is priority target for Canada.
  - male, young (18-34), single, better educated, living in London.
  - reads the Sunday Times
  - interested in visiting Ontario (68%), B.C. (61%), Alberta (18%), Yukon (15%), Newfoundland/Labrador (8%)

- By product segments:
  - Culture and Nature (12%):
    - have interest in historical sites, old cities, cultural groups. Less importance in first class hotels
    - interested in Alberta/B.C., books through tour company
    - potential to increase visitation to unusual destinations e.g. Newfoundland/Labrador, Yukon/Klondike
  - Outdoor Sports (11%)
    - have interest in hiking/climbing, wilderness. Less interest in entertainment
    - combines business with pleasure
    - reads Sunday Times, Private Eye
    - interested in visiting the Yukon, Vancouver Island and Great Lakes
    - largely an undeveloped part of the North American market
- In total Canada's highest ranked attributes were national parks and scenery. Also ranked high were outdoor activities such as wildlife viewing, fishing/hunting, hiking/climbing.

Japanese Travel Market

- Target market is 5.3% of population or 4.7 M persons.

  This is projected to double by the 1990's.1)
- Visitors tend to be older (45+), higher income and live in Tokyo.
- Travel to Canada is typically:
  - a touring trip (30%), resort (15%) or combined business/pleasure
  - average planning time of 14.7 weeks
  - print material and travel agents are key sources of information
  - strong use of all-inclusive packages generally (65%) and to Canada (13%) Guided tours/group travel accounts for 38%, 36% independent travel.

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1) *Minister of State, Small Business and Tourism, August 1987.*

- This market participates, while in Canada, in the following activities: shopping, sightseeing in cities, dining out. Canada also has stronger appeal than other countries in the area of theme parks, scenic landmarks, national parks, golf and tennis. Japanese fish in Canada at 5% but have limited interest in hunting activities.
- Popular destinations in Canada were Ontario (61%), B.C. (58%), Quebec (54%). Less appeal was shown for "northern" areas; Labrador (4%), Yukon (3%), Northwest Territories (2%).
- Benefit segments indicate that the highest potential for Canada is the "Adventure Getaway" segment (22% of market).
  - this market is looking for thrills, excitement
  - this market reads More, With
  - prepared to travel long distances to seek adventure
- Product segments of interest include "Culture and Nature" (13% of market):
  - have highest level of travel to Canada. This group wants to see it all including historical sites, unique cultural groups, wilderness and wildlife.
- Canada's outstanding attributes are in the area of outstanding scenery and snow skiing, hiking/climbing and wilderness opportunities.

A2 TREND ANALYSIS

In this section of the report demographic, socio-economic, travel and leisure trends which have implications for the nature and type of facilities/activities to be developed in the study area will be outlined. Because of the scope of this subject, only relevant trends which have special significance to tourist market and thus the project will be summarized.

A2.1 Demographic Trends

- **The rate of population growth throughout Canada and North America generally has been slowing** in recent years, a trend which is expected to continue and become more pronounced in the next decade. Further, the rates of population growth in relevant international markets are substantially lower than those of North America. Therefore we cannot look to long term population growth alone to support leisure developments given the declining rate of growth, although in relative terms the size of the major markets for Central Labrador will continue to grow.

- **We will continue to see domination by two age groups in the market place - these being the "baby boomer" and the "older adult" populations.** Over the next 15 years our nation will have fewer persons under age 35 as the number of children is anticipated to decline, while the number of persons aged 55+ will increase dramatically, the most rapid growth in the 65+ age grouping. Similar growth patterns are being experienced in the U.S. where the baby boomer accounts for 1/3 of the population at 72 M persons. The majority of industrialized countries in the international marketplace are also exhibiting signs of an aging population, for example, the Netherlands, Germany, the U.K., Japan, Denmark, Sweden and Finland. Therefore in tourist markets, the largest share of the population, and more significantly, the share of the population with the greatest disposable income, will be older adult and the adult populations. The implications of this are twofold, Central Labrador must provide opportunities for the burgeoning baby boomer market in terms of the adventure product, while the older adult market will positively influence cruise, hunting and fishing markets.

- **The retirement and seniors market is changing.** The age of retirees is falling, physical activity levels of seniors are increasing and the market is increasingly affluent. Recent studies indicate that seniors often feel they are 10-15 years younger than their actual age. They are increasingly participating in sports and active recreational pursuits as indicated in the Canada Fitness Survey, which showed an increase from 13% to 38% between 1976 and 1981, of seniors participating in sports. They are in large part more affluent than even before in history. Typically senior have paid mortgages and few outstanding financial commitments. They are also a prime tourist market in that they have the time and money to travel.

Sensitivity will be required in the development and marketing of recreational and attraction facilities for seniors. The affluent and active senior of the 1980's and 1990's will be looking for a leisure experience beyond the traditional park bench and shuffle board activities of the past. This has implications not only for the type of facilities designed for seniors but also the marketing styles used in advertising to draw upon this market. Senior markets place value in quality service and courtesy, enjoy both independent and group programs. Additionally, as a brand loyal market they will respond favourably to return visit given a positive experience.

We will see growth in the older adult "adventure" market where there is opportunity to try something new and exciting at the same time as being secure and not highly physical in nature.

- **Work patterns are changing.** There are two apparently conflicting trends taking place in the work force. With more women in the work force it is becoming more difficult and more necessary for families to schedule in advance for longer periods of leisure time. Alternatively, changes such as flexible and shorter work hours have increased the amount of time available for leisure on a weekly basis. The trends by many families to accommodate these changes have been shorter four-day "mini-holidays" as well as increased participation rates of both men and women in fitness clubs, weekend vacations and shorter day trip outings.

  This has negative implications for our study area, which by virtue of distance requires a lengthier trip length. However, opportunity continues to be in the area of hunting/fishing holidays which are typically taken in addition to the "family" holiday by a male adult.

A2.2 Economic Trends

- **Personal disposable income is increasing.** The period 1971 to 1979 saw the average Canadian's per capita income rise by 4% per annum. However, in the recessionary period 1979-1983, per capita incomes rose by only 0.15% per annum. Recent data from Statistics Canada shows that in 1984, personal disposable income rose by 2.9%.

  Leisure and recreation are perceived by a majority of Canadians to the discretionary items in their household budget, that is expenditures made after the basic necessities of shelter, food and clothing are met. Changes in economic conditions will affect the time and money spent on leisure.

- **There has been a decline in low income families.** The percentage of families with low income has declined. The character of low income families has changed. There is less incidence of low income in the elderly population, increased low income in families with children and in lone parent families headed by women.

- **Consumers are more sophisticated.** The general population, but most importantly the prime market segment in the 35-49 year age group, is much better educated than the population of previous generations.

  At the same time, the better educated and more affluent have shown a desire for new and different experiences. The increase of unique offerings for vacations and recreation including white water rafting, "Whodunit" weekends and nature oriented excursions, indicate a trend to active, interesting and even challenging pursuits to attract this market.

  The better educated consumer tends to be more sophisticated and knowledgeable in his purchasing decisions, and tends to demand quality and variety in products and experiences. The members of the well-educated 35-49 year age group are more likely than previous generations to have well-paying jobs which financially improve their ability to make purchases of recreational equipment and leisure activities. At the same time, they are looking for unique and personally rewarding experiences in their leisure time.

Central Labrador must provide "unique" experiences to a highly demanding market Quality training of individuals to meet these consumer demands is essential.

A2.3 Leisure and Travel Trends

- **Available leisure time should increase moderately in the future.** Leisure time occurs when non-essential activities are pursued. Hence, the amount of available leisure time is determined by the time requirements of essential activities. Essential activities will vary according to one's age, family obligations and employment status.

  Leisure time is expected to increase between 1 and 2 percent by 1991 and a further 2 or 3 percent by 2001. Estimates for changes in leisure time by age group are identified in Table. The most significant increase will be among people who are working, or who are of working age. Not only will these people increase their leisure time, but the will spend more time than other age groups in leisure activities away from home.

- **There will be a shift from relaxation to self improvement/education activities.** As leisure time becomes more available, tourist and resident markets will look to more than just relaxation from a vacation or day trip. Educational visits to such places as science and technology centres, museums, interpretive features, zoos, etc. will have growing importance in all age segments. Additionally learning about the history, special geologic/natural features of a destination will receive growing interest.

- **People will look for quality and unique experiences.** The two dominant groups in the marketplace have more money and are better educated than ever before. Growth will occur in the luxury goods rather than goods perceived as necessities. Travel and entertainment are luxury goods. However, these same people are being catered to by all segments of the economy and competition for their discretionary dollars will continue to increase. Therefore, these people will have a wide choice of attractions and competing leisure activities, and those which offer quality for the money will benefit.

- **There will be growth in specialty markets.** The U.S. and Canadian tourist is becoming more sophisticated and wants to indulge in hobby-style vacations. The rapid rise in the popularity of tennis camps, river rafting, photography tours, and scuba diving vacations during the mid and late 1970's all point in this direction.

Key market segments will be middle and upper income families in the 30-44 year age category - the aging baby-boom generation, as well as the older adult market 50+ with the higher levels of discretionary income. As in Canada, these markets demand high quality, distinctive, value-for-money vacations.

The overall weaknesses in the U.S. market for Canadian travel destinations as well as the considerable efforts of U.S. destinations to retain their domestic markets means that the Canadian destination hoping to attract a segment of the U.S. market will have to offer a unique, high quality resource, promoted through skillful packaging and marketing. **Specific market segments with special interests will have to be targeted as opposed to the general tourist market.** The attraction of American visitors to Canadian destinations must be based on something other than the poor state of the Canadian dollar relative to U.S. currency in order to ensure a strong tourism industry. We must be perceived as something different in terms of product offerings.

- **There will be growth in the "packaged" tour.** New and innovative product programming ides are being created. Many different travel packages, combining new and diverse features have been established to create new and unusual experiences for the travel client. These changes are the result of a realization that, in order to entice the "new" discriminating consumer, one must be innovative, competitive and aggressive in product development and marketing. Special cooperative activities between accommodations, attractions, retail and restaurants create a higher level of critical mass and therefore level of interest in the destination.

A3 SPECIALTY MARKET ANALYSIS

The following is a detailed analysis of longer haul specialty markets identified as having potential for the Central Labrador product. The specialty markets investigated in this section include:

a) Fishing
b) Hunting
c) Adventure Tourism
d) Cruising
e) Cultural/General Interest Tours

Additionally, in Chapter 3 of the report a series or regionally or provincially generated submarkets such as VFR-based travel, skiing and military markets are discussed.

This analysis covers the following information: a description of the market, the size of the market by major geographic area, analysis of the competition by sector where possible and finally conclusions relating to the market potential of Central Labrador in the sector.

The outcome of our market analyses to this point indicates a stronger and shorter term potential in the area of fishing and adventure markets, therefore more emphasis has been placed on these areas.

Information for this section came from a number of sources including:

- Past research on the specific markets in question.
- Contact program with knowledgeable individuals such as special interest organizations, tour operators/wholesalers, government officials to further define the market.
- Review of primary and secondary data respecting opportunities in Canada and the U.S. which would compete with the Central Labrador product (Appendix B).

A3.1 Fishing Market

a) Market Character

- Studies in Northern Ontario[1)] and the Northewest Territories[2)] have concluded that fish attributes i.e. size abundance and uniqueness are the most important feature of a sport fishing destination. Other key influences are the helpfulness/quality of staff, cost of vacation, comfort of accommodation, quality of food.
- A survey of the Manitoba Fishing Industry[3)] determined that one third of northern operators felt the single most important factor in attracting guests was the opportunity to catch certain large fish. As well, 66% of the operators have experienced significant increases in business over the past five years and 75% expect increases in volume in the next five years.
- Clients are typically middle aged males possessing above average income.
- Primary sources of visitation to Labrador and Quebec destinations are the North Eastern United States, Ontario and Quebec.

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1) *Ontario Ministry of Northern Affairs, the Fishing Hunting Lodge Industry in Northern Ontario, 1979.*

2) *Topolinski, D. 1982. Regional Income Analysis of the Northwest Territories Fishing Lodges, Department of Fisheries and Oceans.*

3) *Manitoba Department of Natural Resources and Business Development and Tourism Manitoba Commercial Sports Fishing Industry Study, Fishing Performance Data, 1981.*

- The demand for fishing in Europe is very high.

- The competition for fishing in Europe comes from Scandinavia and Great Britan.

- Fishermen generally want to fish and have little interest in packages which combine fishing with other activties e.g. sightseeing.

b) Market Potential

Canadian Markets

- In 1984 Canadian statistics indicated that 6,485,000 Canadians travelled to fish and hunt; this constituted 8.4% of the travel market. When compared to 1982 statistics this indicates growth of 2.1% during this time period. Further this data indicates that these activities have attracted a slightly greater percentage share of the total travel market. This growth follows a period of major declines in the sport.

  If we apply U.S. statistics which break down fishing and hunting to a ratio of 77:23 respectively this would indicate that **Canada's present fishing market totals 4,993,450 trips.**

- Nine percent of Canada's tourism foreign exchange revenue is derived from visiting fishermen who annually spend $300 million.

- In an article published in Sports Business Trade Magazine of Canada in October 1986, Canadian fishing tackle distributors estimated that tackle sales have increased from 15% to 30% in 1986. Increase is attributed to such factors as an increasingly knowledgeable and sophisticated consumer, to success of product awareness promotions (fishing derbies) and the popularity of higher end products.

- Furthermore, in the August 17, 1987, edition of Tim Rennie's sports letter (an industry trade publication on the sporting goods market) it was determined that the fishing tackle trade in Canada experienced its strongest year (in sales) ever in 1987, with most suppliers, wholesalers and retailers predicting growth through 1988. As well, supplies estimated that the

Canadian market, at the present time and for the past three seasons, has been outpacing the U.S.

- By province, the strongest participation is shown by Ontario residents at 48.7% of total Canadian trips. Using the U.S. breakdown, Ontario generated 2,430,890 trips and this would constitute 6.7% of all trips taken by Ontario residents.

  Compared to 1982 statistics, growth has been shown in person trips (by 10.6%) and in terms of the share this type of travel constitutes of the overall resident travel market. In terms of population, non resident fishing statistics for Ontario indicate that in 1982, a total of 660,000 persons obtained non resident fishing permits.

  Growth in Ontario resident participation is further evidenced in Ontario Federation of Anglers and Hunters statistics, which show increases in membership by 8% from 1985 to 1986 alone.

- Quebec shows the second strongest resident participation in wildlife activities after Ontario. In 1984, a total of 1.13 M person trips were attributed to hunting and fishing activities. If we use the U.S. breakdown, this would represent a total of 871,640 trips for fishing purposes by Quebec residents.*

  Further, 85% of these trips are taken within the province itself. When compared to 1982 statistics, this represents a growth rate of 16.8%. The Quebec fishing population generates 4.3% of all person trips in the province, this means that fishing is less of an interest (compared to other activities in the travel population as a whole) than in Canadian and Ontario markets or that fewer trips are taken per year by fishermen in the province than elsewhere. Despite this fact, the percentage that fishing generates of all travel has increased substantially from 1982 to 1984.

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* *The Quebec hunting and fishing publication Sentier Chasse Peche is more optimistic, estimating that 1.5 M anglers exist in the province. The Quebec Ministry of Leisure, Hunting and Fishing estimates 1.1M fishermen exist in the province.*

Data indicates that the Quebec fishing market is predominately male (58%), is comprised of persons aged 25 to 44 (44%), married (53%) with 26% having family incomes of $45,000 or more.

- Other provinces which have stronger levels of interest in fishing (using the U.S. breakdown estimate) include Manitoba (475,000 trips), Alberta (437,000 trips) and B.C. (377,000 trips). These markets have shown declines of 19.7% from 1982-1984 while their Ontario and Quebec counter parts have more than compensated for this drop.

U.S. Market

- The Gallup pole indicates that 31% of American households participate in sport fishing for a total of more than 26 M persons. Other data indicates that this percentage is closer to 28% and that fishing has shown growth in U.S. markets of 7.1% between 1979 and 1982. It is the third most popular activity after swimming and bicycling.

- In 1986 we had 13.6 M American visitors to Canada. Given the average participation statistics presented, this represents a total of 4.02 M Americans who have the potential of fishing in Canada.

The U.S. Pleasure Travel Survey data presented earlier indicates that 29% of the outdoors market is interested in hunting and fishing. If we assume 77% of this is fishing rather than hunting oriented, this would indicate that **22.3% of the U.S. outdoor market or 1.09 M Americans have potential to visit Canada to fish.** This figure would seem to be the more realistic given that the propensity of the population to travel to Canada has been factored into this statistic.

To further substantiate the interest in fishing activities, one has just to look at the proliferation of fishing publications and their associated circulation.

Geographical analysis of the largest publication, Field and Stream indicates strongest circulation in the East North Central and South Atlantic regions of the U.S., followed by the Middle Atlantic and West South Central regions of the U.S.

Overseas Markets

In French markets, it was estimated that 9% of this travel market travel to Canada to fish, whereas at other destinations this same statistic is at 16%. This would indicate that as a country presently we are not penetrating this market to a high enough degree.

If we apply the 9% statistic to the appropriate market category as defined in the previous section, this would indicate a total market potential of 54,000 persons. If we reached the 16% level this would increase to 96,800 persons.

In France and German markets, interest in fishing activities is at 21% of outdoors markets or a total potential of 198,700 persons. This is the highest participation rate of any of the explored overseas markets.

U.K. markets indicate interest at 14% of the overall market for a total potential of 64,000 for Canada in fishing activities.

The Japanese markets did not show strong interest in fishing activities for Canada as a whole at 5% or 30,550 persons.

c) Competing Opportunities

The market potential estimated earlier has a varied and extensive selection of sport fishing opportunities in Canada. In addition to this there are numerous opportunities in the U.S., Scandinavia and Great Britain.

Appendix B attempts to highlight significant Canadian opportunities, while the following listing gives more detail on select destinations.

- The Northwest Territories offers a range of fishing opportunities from lodges on Great Bear and Great Slave Lake with an average bed capacity of 34 per lodge, to smaller camps in the Keewatin with an average capacity of 11 beds.
- British Columbia opportunities include En Route Adventures which offers a series of fly-out fishing packages marketed as "Charlie White's Fishing Adventures". In total, more than 14 remote lodges in B.C., the Yukon and the Northwest Territories are represented by this interest alone. Examples

of destinations, the packages offered and amenities provided are listed below:

- Big Spring Sport Fishing offers trophy fishing at Rivers Inlet for five (5) species of salmon, halibut, ling cod and red snapper. Accommodations are in a 20 000 square foot floating lodge outfitted with modern bedrooms, lounge area, showers and washrooms.
- Fishermen's Inn is located at Shearwater in the Bella Bella area. Trophy size salmon, halibut, ling cod and cutthroat trout are available. Each room in the modern cedar lodge offers private bath and balcony. Access is by ferry, seaplane or airplane.
- Nimno Bay Resort is located 20 minutes by float plane from Port Hardy. The lodge is modern and offers accommodation for eight guests, sauna and hot tubs. Freshwater helicopter sport fishing is offered (Jet Ranger Service) to groups of four to eight.
- Sandspit Inn is located on the Queen Charlotte Islands and offers 51 deluxe rooms and dining room, lounge facilities.
- Nootka Island Fishing Camp is located on the remote West Coast of Vancouver Island, a 1½ hour flight on scheduled or chartered float plane. Chinook and coho salmon fishing is offered with "family style" hospitality. Accommodations include five (5) twin and fifteen (15) single rooms, showers, laundry facilities, family room.
- Sailcone Wilderness Fishing is located at Knights Inlet, 175 miles northwest of Vancouver. A pine and cedar floating lodge accommodates up to eight guests and may be booked for exclusive use.
- Stuart Lodge and Trembleur Lake Fishing Camp offer a seven day and night combination fishing, hiking and sightseeing holiday as well as a 3-day/night fishing expedition.
- Plummer's Lodges (Great Bear Lake Lodge and Tree River Char Camp) are located in the northeast corner of Great Bear Lake, NWT, 47 miles north of the Arctic Circle. Comfortable lodge facilities, trading post and overnight fly-in visits to a tent camp are featured.
- Kispiox Steelhead Camp is located 20 miles north of Hazelton, B.C., surrounded by snow capped mountains. The area also offers hiking, mountain climbing, horseback riding, canoeing and photography. The camp is accessible by car from either Smithers or Jerrace, B.C.
- Kluane Wilderness Lodge is located on Wellesley Lake (rated as the number one trophy lake trout lake in Canada by Field and Stream in 1978) in the Yukon Territory. The camp accommodates twelve

(12) guests and offers sauna, lounge, rooms with private baths. Fly-out side trips are offered.

  - Painter's Lodge Resort overlooks the Discovery Passage on the north edge of the Campbell River and is located only five (5) minutes from the town of that name. The facility is large and offers poolside cabins and a main lodge with dining room and lounge.
  - Goose Bay Cannery Lodge occupies a former commercial cannery, 30 minutes by float plane from Port Hardy on Vancouver Island. A main lodge and quaint cottages "provide all the amenities of a remote fishing village".

    In addition, fishing and natural history cruises are offered on the M.V. Union Jack, an eighty-five (85) foot ex-coastal tug boat and the M.V. Norsal. In addition to fishing, there is opportunity to explore Indian settlements, logging camps, gold mines, fishing villages, hot springs, nature hikes and beaches. Scuba diving and fishing holidays are available as well as conference and business seminar packages at Beach Gardens Resort Hotel.

- In Saskatchewan, the Northern Saskatchewan Outfitters Association works with Tourism Saskatchewan of the provincial Department of Tourism and Small Business to publicize, promote and organize fishing packages offered by the province's numerous lodge operators and outfitters. In one instance, the operators of Wollaston Lake Lodge work in conjunction with Tourism Saskatchewan to develop and promote fishing packages, including business seminars, and work closely with Crystal Shamrock Airlines of Minneapolis, Minnesota to promote and sell these packages.

  The NSOA has put out a brochure titled the "Saskatchewan Fishing Challenge" which is a guide to adventure fishing in the northern parts of the province. The 126 lodges are categorized as to whether they are drive-in or fly-in, modern in style and positioned on a map of the region.

  Over 35 camps are offering group fishing packages for groups of up to 60 persons which include airfare, meals, lodging. Each package can be customized to suit the needs of each club or convention. A "Fish Line" telephone number for information has also been created in support to this full colour brochure.

- A 1981 study of the Manitoba fishing industry[1] reports that lodges in the northern region attracted 79,415 guest days, of which 95% were attributed to fishing and hunting. Of these guest days, over 80% were American and 60% were repeat guests. Northern Manitoba lodges utilized 35% of their total bed capacity in 1981 and ranked second to the Whiteshell Nopiming region in total guest days 9119,513 versus 79,415).

- Faber Travel in Brantford, Ontario in association with Nordair offers Arctic Char fishing holidays at Clearwater Fiord, Baffin Island.

  Packages include airfare from Montreal, 7-nights accommodation, meals and camp guide with costs from $2 095 U.S. Travel arrangements are also made available from New York, Pittsburgh, Chicago, Windsor and Toronto.

- Northern Ontario statistics for 1977 indicated that the average hunting and fishing lodge generated $48 000 of revenue annually. In total, there were 1 676 lodges in the Northern Districts (Kenora, Rainy River, Thunder Bay, Cochrane - Timiskaming, Algoma, Sudbury, Manitoulin and Nipissing), accounting for more than $80 million of revenue while employing 4 016 full-time and 3 925 part-time workers. Marketing approaches used include brochure distribution, magazine/journal releases, sportsman stores, etc. For example, a Red Lake Travel Agency works with fishing camp operators to provide "Red Lake Wilderness Fishing Vacations" by handling all booking and travel arrangements for clients.

- In Quebec, the Schefferville area offers a variety of sport-fishing experiences, outfitted by 6-8 operators. The Delay River Camp and Laurentian Ungava Camp are only two of the options offering both European and American plans. Joint marketing efforts are carried out by Norbec.

  Club Chambeaux uses Wabush airport and provides transport from Fermont, Quebec on to camps on the Caniapiskau River. Lake Justone Fishing Club is located on the headwaters of this same river, and although situated in the

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1) *Manitoba Departments of Natural Resources and Business Development and Tourism Manitoba Commercial Sports Fishing Industry Study, Fishing Performance Data, 1981.*

Ungava area of Quebec, is owned in partnership with a Labrador West resident.

Cepal, a non-profit organization offers 8 day/8 night and 15 day/15 night "Piacoudie Explorations and Fishing" on the Montagnes Blanches River, accessed by sea plane. Accommodation is in rustic cabins. Extended canoe trips are also available on this trip. Cost for the eight (8) day trip is $495 Canadian from Cepal (Jonquiere, Quebec) or $610 from Montreal via Quebecair.

In total it can be seen that:

- Promotion by lodges, camps, tourism associations and government agencies is ongoing.
- Individual operators are becoming very sophisticated in their marketing approaches, working with specialist agents, wholesalers and airline companies to package all inclusive fishing trips.
- Many opportunities are accessible by road which makes them very price competitive.

d) Conclusions

The fishing market appears to be an area of market growth which the study area can further capitalize on.

The major opportunities for development of this market are:

- Increased promotion at the present time with product development occurring over the 10 year term as occupancies warrant.
- Increasing space in present lodge/camp facilities, and increasing the number of camps/lodges in the area over the long term, especially in the area of "upscale" fishing lodges. Limitations to this would be the present land claims process which is presently underway in the area.
- Improving the quality of the product above that available elsewhere in the far north by way of facility development, staff training, quality of service.

- Offering high end and medium priced packages as well as economy packages to offer a diversified product.

- Undertaking co-operative marketing activities between operators.

- Offering special mini packages and incentive packages to business travellers in the area e.g. the military, other business.

A3.2 Hunting Market

a) Market Character

- Studies undertaken by the Province of Newfoundland and Labrador and by such publications as North American Hunter indicate that hunters exhibit the following profile:
  - hunters are typically aged 40-44, are married (80%) and male (99%).
  - the family income of hunters is generally high at over $50,000 per year but clients do not generally have post secondary education.
  - 61% of hunters have done so for 20 or more years, spending a total of 39 days per year at an average trip length of 7.1 days.
  - on average a total of 2.4 hunting trips are taken per year at an average distance of 1,300 miles, 56% of these out of state/province.
  - "big game" is the focus of 91.5% of trips while 92% fish as an additional activity.
  - priorities of trip selection are: availability of big game, guide services, price and food quality.
  - "Word of mouth" is a powerful advertising medium accounting for 66% of all decision-making compared to articles, brochures, agencies, etc. Controllable factors such as food quality, accommodation quality and guide services must be of superior quality to encourage a) return visitation and b) work of mouth promotion.

- Demand for hunting was seen to be doubling each year with great interest from Switzerland, Belgium and France.
- The competition for hunting in Europe was seen to come from Africa and the Eastern Bloc countries.
- The best way to access European hunting markets is through hunting and sports stores, taxidermists and increasingly through professional organizations such as doctors, dentists. The European market is an "aristocratic" one while the U.S. remains more the "average man" who has higher income.
- Hunters have no interest in other activities i.e. adventure, culture. They will fish and do other activities if their quota is met and the opportunities are directly accessible.

b) Market Potential

As a leisure activity, hunting attracts a smaller percentage of the population than does fishing.

Canadian Markets

- Utilizing the U.S. ratio of fishing to hunting at 77:23, we can estimate the **market for all hunting activities in Canada as being 1,491,550 person trips.**
- By province, Ontario generated 726,000 trips, Quebec 260,360. Quebecers undertake such trips in their own province for the most part, totalling 221,000 in province hunting trips[1]. Again Alberta, B.C. and Manitoba are also strong in this activity.

Because fishing and hunting are grouped together in most Canadian statistics we can look to Ontario and Quebec totals to identify trends in the marketplace.

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1) *Sentier Chasse Peche estimates that there are 700,000 hunters in Quebec, increasing by 40,000 each year. In terms of origin, the Montreal region accounts for 47% and Quebec City 18%. The Quebec Ministry of Leisure, Hunting and Fishing estimates there are 400,000 active hunters in the province.*

- Increases in resident and non resident bear hunting.
- Decreases in resident small game hunting, increase in non resident small game hunting.

For a total decline in resident hunting levels and increases in non resident hunting interest with a net slight decline in total. In 1986 there was a total of 526,600 resident hunters, 33,500 non resident for a total of 560,200 at a resident:non resident ratio of 16:1.

In Quebec, looking at Caribou hunting in particular we see increases in allowable harvests and fluctuation in demand over the past ten years to show a general increase. In 1986 a total of 6,000 permits were allowed, 5,200 of which were sold.

We are seeing in Northern Quebec a decrease in resident hunting and a compensating increase in non resident hunting. The contact program indicated that the vast majority of hunters coming into the study area are U.S. in origin.

U.S. Market

According to an A.C. Neilson study released in 1984, there has been an overall decrease of 5% in the total number of participants in hunting activities from 1972 to 1982. In 1983 it was estimated that 16% of all households or 14 M participated in hunting as a leisure activity.

Using the U.S. Pleasure Travel Survey and assuming the same hunting to fishing ratio, this would indicate that **6.7% of the U.S. outdoor market or 326,800 persons have potential to visit Canada to hunt.** This is well below the potential for fishing activities.

U.S. hunting publications/organizations have generally shown stability in circulation/membership.

Overseas Markets

Only the German market has strong potential for hunting activities at 9% of outdoors markets or 42,900 persons.

French and U.K. markets showed interest at 3% (18,100 persons) and 2% (9,200 persons) respectively. No interest was shown in hunting activities by Japanese markets.

c) Competing Opportunities

As was the case with fishing opportunities, today's hunting market is faced with an ample selection of various opportunities.

Appendix B presents a sampling of these opportunities, as does the following discussion.

- Quaivik Limited of Yellowknife offers Arctic sport hunts for polar bear, muskox, Peary caribou and Barrenland caribou. Hunt packages are offered individually for each type of trophy animal. A combination polar bear -- muskox -- seal package has been offered and proved to be very successful. A typical hunt package offered includes air and ground transportation from Yellowknife, guided tour of Yellowknife, accommodation and meals, arctic clothing, trophy tags, two personal guides for each hunter with dog team or snowmobiles, and preparation of the trophy. Rates (1984) for Polar Bear were $13 000-$15 000 U.S., Polar Bear/Muskox $16 000 U.S. for 18-22 days excluding airfare to the hunt area.
- The Keewatin area has set up a central marketing agency, representing individual operators in association with a Southern-based advertising agency and wholesaler to promote caribou and polar bear hunting.
- Canada North Outfitting of Waterdown, Ontario is working in association with Nordair to offer High Arctic Wildlife Safaris and fishing and hunting trips with Inuit guides.
- As stated in the fishing section, there are three major areas of hunting and fishing in Northern Quebec: Fort Chimo (Kuujjuaq), Shefferville and Caniapiskau areas, the last being accessed by Fermont.

  In the Schefferville area, Delay River Outfitters and Laurentian Ungava Outfitters are only two of the 8-9 presently bringing in approximately 3 000[1)] hunters in the six to eight week hunting season, half of which are estimated to be non-residents of Quebec. (It is also estimated that one in four or five hunters come by train)[2]. Costs for such activities range from $1 500 for the "safari" type of camp up to $3 500 to $5 000 for a trophy hunt.

- Club Chambeaux offers a $899 7-day package from Fermont, Quebec including transportation, accommodation (5 nights at camp, 2 nights at Fermont), boat and equipment. Not included are meals, meat packaging, transportation, license. Reports indicate that this operator is very successful in attracting patrons to the Caniapiskau River site.

d) Conclusions

The study area is not well positioned to build upon the hunting market when compared to Labrador West and Schefferville areas given the migration patterns of the caribou in the area. This, taken together with the small size of the market and strong degree of competition for the market indicates that this market should be a lower priority for the area. However, operators who are successfully selling hunting packages should continue to capitalize upon their experience. Opportunities in this market would appear to be strongest in the U.S. and European markets, the latter perhaps accessible by way of the military connections in Happy Valley - Goose Bay.

A3.3 Wilderness Adventure Market

The wider area of Labrador accessible via the study area offers ample opportunities for wilderness adventure activities such as canoeing, kayaking, rafting, cross country skiing and trekking. Tundra, mountains, rivers and oceans all lend themselves to wilderness outdoor activities in an Arctic setting.

Implicit in this activity is the potential to view wildlife in its natural setting, therefore wilderness viewing is an activity which fits in this and the more "general interest" tour of an area.

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1) *John Bogie, President Delay River Outfitters.*

2) *Henri Jamet, Quebec Tourism Consultant for Northern Quebec.*

a) Market Character

- This market can be defined as being different form the "general interest" or "cultural" tour client in that physical activity of some form is an integral part of the travel experience.
- Clients are seeking physically demanding experiences to test/develop their skills in these activities. Transport models are often unique.
- Participants range in age and their professional background is varied.
- There appears to be different subgroups within this segment:

i) *By Distance*

- shorter adventure packages to closer destinations e.g., whitewater rafting trips, two day cycling or ski trips.

OR

- longer trips to more inaccessible destinations.

The latter into which our destination would fall, is more frequently taken by persons of average to above average income, university degreed, professionals.

ii) *By Cost*

- the more economical cross country, kayak, canoe, hiking trip which is taken close to home and satisfied by what resources are locally available.
- the more expensive trip e.g., river rafting, downhill skiing which requires payment for one cannot do so without the aid of the operator.
- the more expensive exotic adventure trip to a unique destination for a variety of activities e.g., hiking, climbing, etc.

iii) *By Effort*

- the "softer adventurer" who wants to try something new, experience the culture and nature of a destination in an outdoor setting with less arduous activities, e.g., walking, canoeing, photography.

- the "high adventurer" who is seeking more strenuous activities such as kayaking and hiking, endurance cross country skiing, mountain climbing.

Both these groups would have appeal for the destination in question.

iv) *By Mode of Transport*

- land based activities such as hiking, climbing.
- water based activities such as canoeing, kayaking.

- Generally adventure clients are not concerned with deluxe accommodation but, in the case of the "soft adventurer" the surroundings must, at a minimum, be comfortable and clean, the food of good quality as this market is not willing to "rough it" as will the high adventurer.

- As an example of an adventure travel destination's appeal, activities undertaken while in Pangnirtung, Baffin Island (as per a 1982 survey) include photography (71%), sightseeing (65%), hiking/backpacking (61%), buying handicrafts (50%), visiting Auyittuq National Park (40%), fishing (30%) and winter activities (6%).

  Reasons for travel include the arctic experience, climbing, hiking, backpacking.

- It is not uncommon for customers to partake in a different adventure trip each year. Typically, 20 to 50% of business at adventure travel wholesalers is repeat business. This suggests that a satisfied "end of trip" customer is necessary if clientele is to be developed.

- It is important for a destination to become "trendy", name recognition will increase its viability as a Canadian destination. This can be achieved by sponsoring magazine articles, movies, etc.

- The European adventure market was seen as willing to pay more to see the space, wildlife, arctic marine life of the destination than Canadian markets.

The U.S. would have more moderate appeal. In France alone more than 50 travel agencies represent adventure destinations.

- There is growing interest in adventure incentive travel from corporations in Europe, the U.S. and Canada.
- Canadian destination's are in competition with exotic destinations worldwide, places like Nepal, which have strong name recognition and image. In total 26 countries attended a marketplace on adventure travel.
- The Arctic poses a problem for transportation of gear and special arrangements would have to be arranged.
- This market requires a specialty wholesaler to arrange the trip, sell the trip and be involved in guiding services. In total 90% of the market uses specialty wholesalers. There are several hundred companies in the U.S. offering adventure travel, they are typically small at 2,000 to 2,500 passengers per year as they are specialized in destination and activity.
- The destinations strongest appeal is seen to be in the area of arctic marine animals, birds and wildlife, in conjunction with outdoor activities. One could appeal to zoo and aquarium groups.
- The local arts and crafts would have appeal to the soft adventurer as an "added plus".
- In total the greatest barrier to developing destinations in the far north and far south is the cost compared to other major destinations. A great effort must be made in reducing land costs while providing services such as gear transportation. A second major constraint is weather conditions.
- In developing this market, infrastructure could be shared with outfitters as they are distinct in their season but are incompatible in activities. As the market is developed, a separate wilderness refuge could be developed for activities such as birdwatching, etc.

- Hostelling in Canada is showing strong increases at 311,000 overnights, half by domestic and half by international travellers. In the Yukon for example, 295 persons used hostel facilities.

  The area could develop a hostelling facility or a wilderness lodge in a suitable setting. Trekking, rock climbing, canoeing activities as well as social programs and training programs (environment, conservation, local arts and crafts, flora and fauna) could be undertaken at this facility. This would have a higher appeal to European markets than Canadian markets.

- The destination must be positioned as a new, virgin territory to be discovered, wide open and untouched with abundant wildlife viewing opportunities.

b) Market Potential

At present over 300 tour companies are packaging wilderness adventures in over 50 countries. This is a phenomenal number given the fact that this is a relatively new market.

The following is an overview of the size of the market, recognizing that only a small proportion of those persons shown as active in wilderness activities generally will purchase package tours focussing on these activities.

Canadian Potential

- In 1984 a total of 14.5 M trips by Canadians were for sports/outdoor activities other than swimming, watersports and skiing. When compared to 1982, this indicates a growth of 150%. Specifically Ontario and Quebec showed growth rates of 150% and 110% respectively. This would indicate a great increase and diversification in outdoor activities.
- Cross country skiing on the other hand showed declines of 35% from 1982 to 1984 at only 1.3 M trips.
- Generally if we apply the C.T.A.M.S.[1] percentage of 3.7% of persons in the

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[1] *Canadian Attitude and Motivation Study*

outdoors travel category, there is a potential of 947,000 persons. As no breakdown of activities is shown in this survey, it is impossible to segment out this market further by this source.

However, a study undertaken for the Yukon indicated that the market for packaged wilderness/adventure tours ranged from 1.5 to 2.5 M individuals in North America:

	U.S.A. Population (000's)	Canada Population (000's)	North America Population (000's)
Backpacking/hiking	28,300	2,900	31,200
Camping	16,400	1,600	18,000
River rafting, canoeing, kayaking	9,400	900	10,300
Cross-country skiing	2,000	2,400	4,400

Source: Thorne Stevenson & Kellogg, Yukon Wilderness Adventure Travel Study, 1981.

- If Canada accounts for 12% of this market this would indicate potential of 180,000 to 300,000 trips or 19% to 32% of the general outdoors travel market.

U.S. Potential

- Fifty-six percent of U.S. households participate in outdoor activities, 14% in winter activities. These activities have shown increases or stabilization in past years.
- The Yukon study would indicate that the U.S. potential for packaged wilderness tours at 1.3 M to 2.2 M trips.
- The U.S. Pleasure Travel Survey, estimated an outdoor travel market of 4.9 M for Canada. Hiking/walking attracts 8% of this market for a total of 392,000 persons; nature activities attract 34% for a total of 1.7 M persons.

Overseas Markets

Applying activity levels to the preferred segments in each travel population gives the following:

- France: 193,500 interested in hiking (32%)
  296,000 - 356,800 interested in wildlife/wilderness (49-59%).
- Germany: 293,000 interested in hiking (31%)
  283,000 interested in wildlife/birds (30%)
- U.K.: 79,200 interested in hiking (12%)
  165,000 interested in wildlife/birds (25%)
- Japan: 42,800 interested in hiking (7%)
  18,300 interested in wildlife/birds (3%).

c) Competition

Major competition for the adventure market in Canada comes from the Yukon, N.W.T. and Labrador. Worldwide northern destinations include Sweden, Alaska and Norway.

Quebec offers suitable destinations for adventure tours such as the Otish Mountains, Anticosti, Mont Groulx, Temiscamingue and Nouveau Quebec (Arctic Quebec).

While Appendix B summarizes major opportunities, the following discussion illustrates the type of trips which fall into this category.

- Canadian companies dealing in this type of travel include the following: Goway Travel, North West Expeditions, Thompson Guiding Ltd., Canadian River Expeditions, Blackfeather Tours/Canadian Nature Tours, Horizon Holidays, Quavik Ltd., Atlastours, DeWest Tours, Canada North Outfitting, High Arctic International, Wilderness Tours, Holiday by Majestic, Sub Arctic Expeditions, North Country River, Safari River Expeditions.

- Hyak River Expeditions offers whitewater rafting in B.C., Yukon and Alaska Wilderness e.g. Thompson River (2 days), Chilko-Chilcotin- Fraser Rivers (6 days), Firth River, Yukon (12 days).

- Ecosummer Canada, a travel wholesaler which emphasizes programs in ocean kayaking, nature photography, alpine treks, river expeditions and mountaineering, operates primarily out of British Columbia as well as the Yukon and the Baffin Region of the Northwest Territories.

- Canada North Outfitting Ltd. currently offers a variety of escorted adventure tours in the Eastern Arctic including snowmobile safaris, dog sled trips, arctic cross-country skiing, kayaking and wildlife safaris. Current markets for this company are 70% United States, 20% Canada and 10% International trade.

- High Arctic International Explorer Services Ltd. specializes in snowmobile/sledge expeditions offering wildlife, historic site and scenery sightseeing, camping, char fishing and arctic survival sessions.

- Canoe Arctic provides escorted trips to the Northwest Territories. These trips offer camping, wildlife viewing, photography and sport fishing. Trips can be personalized to suit special client interests such as bird watching, botany and geology.

- Special Interestours/Special Odysseys Ltd. offers several specific adventure trips escorted by scientific experts and Inuit guides. Destinations such as B.C., Greenland and the South Pacific are also featured.

- Tuulik Wilderness Adventures, operating out of Ottawa, currently offers river rafting, kayaking, cross-country skiing and adventure travel out of Baffin Island and Frobisher Bay destinations.

- Equinox Adventures, Beamsville, Ontario currently offers high adventure recreational pursuits such as cross-country skiing, whitewater rafting and canoe and kayak instruction. There business is growing at a rate of 15%, directly as a result of their marketing efforts such as creating bus packages through travel agents and wholesalers rather than the traditional "direct sell" at shows, etc.

- Canadian Nature Tours presently offers 27 trips to view wildlife, canoe, and backpack in various destinations throughout Canada. Tours generally are in groups of 12 to 25, for a total of 250 persons in 1985. This organization typically coordinates with various local Wildlife/Resource Ministries rather than with wholesalers.

- With the creation of Auyittuq National Park in 1972, tourism visitation began to increase dramatically in Pangnirtung. This park is Canada's only national park located above the Arctic Circle. In the months of June and July if offers hiking, mountain climbing, and naturalist experiences while during the winter a variety of recreational activities are pursued. In 1984, a total of 576 persons visited the park, in 1985 this dropped to 461 visitors. The hotel in the community generally captures 25 to 40% of this travel market while the remainder camp in the park.

d) Conclusions

- This market would seem to be a very viable one for the wider Northern Labrador area to focus upon given its strength in product and the growth in market interest. Primary focus should be in European and U.S. markets rather than from Canadian sources. The study area of Lake Melville has opportunity to capitalize upon its location as a gateway to the coast, competing with Fort Chimo for the northern portion of Labrador.

- **To be successful, the area must become involved with specialty wholesalers who will develop, sell and conduct the trips.** It requires that specialty guides who have been involved in the activity elsewhere in the world, be utilized. Local residents, however, will provide valuable local knowledge and may assist in these trips. Guide training programs would be very valuable.

- Physical requirements to better satisfy market demands would include emergency shelters, hostel accommodation or naturalist lodge accommodation, and air strip development. In the interim, fishing/hunting lodges could be used while developing market interest.

- It will be critical for the local study area of Lake Melville to establish strong linkages with northern and coastal communities which offer the best resources i.e. scenery, culture, etc. As well, the formation of a Labrador-wide tourism organization would assist in this regard.
- There may be opportunity to develop mini-adventure packages for local visitors e.g. the military, business travellers. Destinations could include the Mealy Mountains, for example.

A3.4 Cruise Market

a) Market Character

- One in fifty persons in North America has taken a cruise. The market appears to be generally 40+ in age, although adventure cruises may appeal to younger segments. Alaska cruises, for example, attract older adults generally.
- Arctic cruises presently focus on the west and take place in July and August. These cruises are, by all reports, very successful.
- Marine mamals are a major attraction.
- As a general market, arctic destinations are less appealing than tropical/ temperate destinations.
- Cruises like to stop at towns along the way, hence the popularity of Alaska tours which have select stops on their itinerary. The eastern arctic, with its limited human settlement areas and vaster travel distances, has less potential for this market.

b) Market Potential

- Worldwide in 1985, 2.19 M trips were taken by cruises. Of these 1.8 M were taken by North Americans. In total, therefore, cruises constitute only 5% of the global travel market and the U.S. is the world's principal market.

- North American volumes in cruise traffic increased by 12.5% from 1985 to 1986 alone. Historically, in recent years growth has been in the order of 6 to 7%. 1986 growth is anticipated at 12 to 15%.

- The U.S. generates 75% of the worlds 2.2 M passengers for a total of 1.6 M. More specifically, California residents generate 20% of U.S. traffic. Other strong generators include Florida, New York, Illinois, Pennsylvania and Texas.

- Secondary cruise markets, which fall well below U.S. volumes, include West German (150,000 passengers), the U.K. and Australia (100,000 each) and Canada (65,000).

- In total there are 120 cruise ships in the world with a total capacity for 100,000 passengers in 423,000 cabins. Capacity has increased in the recent past.

- Trends expected in addition to increases in volume include a decline in Mediterranean cruises and an increase in Caribbean cruises.

Given the above facts, only the U.S. can be seen to have any strong potential for cruises.

- The U.S. Pleasure Travel Survey indicated that approximately 1.0 M cruise trips were taken to Canada. The average length of stay in Canada is only 2.7 days.

- The Arctic was a preferred destination of only 4% of these individuals for a total market size of 40,000 persons.

- Applying this 4% figure to the 65,000 Canadian cruise trips, this would generate 2,600 trips with an Arctic potential.

- Overseas markets were seen to have limited potential given their low overall volume.

c) Competing Opportunities

Appendix B highlights opportunities in this sector. It is obvious that few arctic cruises operate in Canada outside of the West Coast/Alaska areas.

d) Conclusions

- **The cruise market is one which has potential only in the U.S. marketplace, and given its relative size should be seen as a lower priority than other markets.** Additionally, since cruises require no accommodation, have their own food services, and have a short length of stay, this market has lower economic impact on the host communities.
- Cruises can be developed which begin in Montreal or St. John's which take the traveller up along the Labrador coast with a stop in Happy Valley - Goose Bay. Key attractions for such a trip will be the scenic and wildlife resources of the Coastal Area as well as experiencing the native cultures in the area.
- The local communities along the trip can be involved in this market by:
    - providing a special feast in the community or bringing it aboard the ship;
    - providing cultural displays of the heritage of the community;
    - providing arts/crafts for purchase at port stops, or
    - establishing "day trips" out of the community.

A3.5 Cultural/General Interest Tours

Cultural tours can be seen as an amalgamation of the aforementioned travel types, in that the tour would generally reflect the lifestyle, nature and culture of the destination. A cultural tour could include:

- wildlife viewing activities; photography
- mutli-modal travel, e.g., bus, boat, air
- cultural demonstrations
- soft adventure, e.g., hiking, canoeing

- limited fishing
- trips to local attractions.

a) Market Character

As a more "general" market, this group is more difficult to define. It is a group with broader interests, age 35 - 80. This traveller does not desire the physical demands of the adventure traveller or have the specific interest of the hunting markets for example. As a broader market it is also a larger market.

- The tour must reflect a "theme", be something special and unique. It must be packaged from the wholesaler and should include, as part of an overall tour, a balance and mix of: shopping opportunities, sightseeing, transportation modes, meals, entertainment.
- This market is not as rugged as the adventure traveller, the hunter or the fisherman. They want to feel that they are adventurous but return to comfortable, clean accommodation which is secure and safe.
- This market requires reliable, professional service.
- Wildlife, particularly marine mammals, have high appeal to this market.
- Specialty tours, e.g., photography, nature can also be suitable.
- The European market has potential, typically France, Belgium and Switzerland. This market wants to taste freedom, see the forest and the tundra of the north.

b) Market Potential

As the broadest market this market is also the largest market. It includes all persons who fall into the outdoors and nature categories described earlier, from all locations. **In total this represents, for Arctic destinations:**

98,000	**U.S. "outdoors" travel enthusiasts**
9,700	**Canadian "outdoors" enthuriasts**
139,000	**French outdoors and subcultures enthusiasts**

•	77,400	German outdoors and nature enthusiasts
•	28,800	U.K. culture and nature enthusiasts
•	12,200	Japanese culture and nature enthusiasts.

A key potential for our study area is the existing tour market which is now travelling to Labrador West, a market which approximates 20 tour buses (expected to increase to 30 in 1989) as well as road traffic (10,000 vehicles) and rail travellers. By linking up of the road with this area, it is expected that some percent of this market would have interest in travelling to the study area, this confirmed by way of contact with a sampling of these operators.

Over the long term, with road connections to the Labrador coast, a Great Labrador Circle Tour could be established.

c) Competition

As the broadest market with the broadest interests, it is a market which also has the greatest selection of activities to participate in worldwide. Tour companies theme and package a multitude of destinations worldwide. Modes of travel are diverse - from bus to boat to animal transport, these tours have one thing in common in that they expose the traveller to a new lifestyle, culture and set of experiences in a "safe" environment as part of a group.

The following points highlight a sample of general interest/culturally oriented tours presently offered in northern Canada. A complete listing of general interest/cultural competing opportunities for northern Canadian destinations is presented in Appendix B.

- Canada North Outfitters, although it deals with "adventure travel", offers a variety of packages that may be considered more of a cultural nature - a six day trip to the North Pole offering nature viewing, dog sledding, mine tours, village visits.
- Goligers Tours of Toronto and has been offering trips to the North for over 10 years. Trips currently offered include destinations such as Frobisher Bay. Cape Dorset, Pangnirtung, Iceland, and Greenland and offer a variety of experiences including boat tours, museum tours, craft shopping and wildlife viewing. Their clients are typically aged 35 to 80, well travelled and see the

north as the "last frontier". Their past experience offers the following guidelines:

- growing trend toward all-inclusive tours with set itinerary
- tours must be "different" in terms of food, atmosphere - often requiring the promotion of the negative aspects of the area.
- tours must be run professionally, a commitment must be made towards servicing a product to attain long-term business. Often tours are best run with local tour guides to provide local colour, history and stories, but these individuals must be trained and have suitable personality traits for such a job.

- Bixler Tours (Hiram, Ohio) currently offer tours to Churchill, and are offering package tours (20-40 persons) to Newfoundland. Their clients typically are interested in general sightseeing, nature viewing and learning about other people's lifestyles. Age groups are predominantly 45 and up.
- Fiesta Wayfarer, operating out of Toronto, currently is focusing on the 'natural history tour' market, i.e., wildlife viewing in Northern destinations.

d) Conclusions

This market has potential for the study area in two ways:

1. **development of a "continuation" of the tour to Labrador West and potentially on to Red Bay.**
2. **development of European trips into the study area** with a smaller circle of the north or the province beginning and ending in the study area. The latter would become possible in the advent of direct flights from Europe due to military demand.

To increase the appeal to the general traveller of the area should consider:

- Improving the aethetics of the local communities.
- Providing opportunities for crafts/specialty products shopping.
- Development of (an) attraction(s) to appeal to the market.

- Positioning the Lake Melville area as being different from the rest of Labrador, so as to create a diverse and interesting tour of Labrador.
- Positioning the study area as the central and logical entry point to the northern and coastal points of the province.

A4 SUMMARY OF SPECIALTY MARKETS

A4.1 Summary of Geographic Markets

- Tourism can be seen as a growth industry, increasing visitation has been shown globally, nationally and provincially.
- Competition in the marketplace is increasing as individuals become more mobile, third world countries begin to recognize their potential in this sector, and indeed, the "exotic" becomes more accessible.
- Table A.2 summarizes the size of each market by geographic origin and travel motivation. It also estimates the proportion of these markets with an interest in the Arctic. The following discussion summarizes this information.

Table A2

SUMMARY OF MARKET SIZE BY GEOGRAPHIC LOCATION

Market Origin Trips to All	Overall Potential for Outdoor/Culture Trips to All Canadian Destinations	Potential for Arctic Destinations
Canada	• 3.7% of population are 'outdoors' in travel nature = 947,200	• 0.5 to 1% of outdoors trips = 9,472
U.S.	• 1.65 M 'outdoors' trips to Canada • Potential for 4.9 M • 2.3 M touring trips to Canada • Potential for 6.35 M • 1.0 M cruise trips to Canada	• 2% of outdoors = 98,000 • assume less than outdoors at 0.5% = 31,700 • 4% of cruise trips = 40,000
France	• Target travel population of 2.88 M • Outdoors and subcultures = 604,300	• 23% for Nfld/Labrador = 139,100 to 66,509 (11% for N.W.T.)
Germany	• Target travel population of 4.3 M • Outdoors and nature = 516,000 • Outdoors and sports = 430,000	• (15% Nfld/Labrador) = 77,400 to 25,800 (N.W.T.) • (27% Nfld/Labrador) = 94,600 to 21,500 (N.W.T.)
United Kingdom	• Target travel population of 2.0 M • Culture and nature = 240,000 • Sports = 220,000	• (15% Nfld/Labrador) = 28,800 to 16,800 (N.W.T.) • 17,600 Nfld/Labrador to 13,200 (N.W.T.)
Japan	Target travel population 4.7 M Culture and Nature = 611,000	• 12,600 Nfld/Lab. to 18,300 (N.W.T.)

a) **Canadian Markets**

- The greatest share of trips in Canada are indeed generated by Canadians themselves. This would seem to be a prime target for the study area by virtue of this alone. However, it **has been shown that only 3.7% of the Canadian population has interests in the "outdoors/adventure" type of vacation.** This translates into a total of 947,200 persons in 1986. **Further, when the interest in Arctic destinations is assessed (in this case the Yukon and N.W.T. are used as indicators) the potential of Canadian markets is reduced to 1% of this number for an overall potential of 9,500 persons.**

  This market travels to experience new and different lifestyles, be physically active, be daring and adventurous and enjoy wilderness/undisturbed nature.

  Again, this can be seen as a growth market by virtue of the 13% growth in travel generally from 1984 to 1986.

b) **U.S. Markets**

- The U.S. travel market potential for the study area can be broken down into two sectors; a primary sector of "outdoor" vacationers and a secondary sector comprised of "touring" and "cruise" vacationers. It is the only market for which projections for future travel have been made. The 'outdoor' vacation market currently generates 1.6 M trips to Canada per year and its future potential (on a yearly basis) is estimated at 4.9 M trips. **The "Arctic" has potential to attract 2% of this U.S. outdoor market for a total of 98,000. Even if the present visitation is utilized and the increased potential is not realized, the market size lies in the area of 32,000 visits.**

  This market will be attracted by physically active programs, wildlife viewing opportunities, wilderness quality, the scenery afforded by the Torngat area and by the quality of fishing. The fishing product must be positioned as being "exotic" and foreign if it is to have appeal over various U.S. destinations. The designation of a national park in the Torngat area would raise appeal to this market.

The cruise market is a lower opportunity with one million trips presently occurring in Canada. The Arctic is selected as a destination by 4% of this sector, for an overall U.S. cruise market of 40,000 persons.

Success in this market lies in providing a contrast between the comfort of a ship and northern culture and lifestyle, combined with spectacular scenery, i.e., adventure in the folds of security.

The U.S. 'touring' market is not really applicable to this study, however, it is the only trip type which can be seen as a descriptor of cultural or general interest tourist to the area. Presently 2.3 M trips to Canada can be termed "touring" in nature, this potential estimated 6.35 M trips overall If we assume interest in the Arctic to be at a level below that of the Canadian outdoors market, at 0.5% this would constitute 31,750 persons.

In total for the study area to maximize its potential in U.S. travel markets, it must promote itself as being distinctly different than other opportunities in Canada and the U.S. in terms of its varied activities, cultural and natural environments. Its relative proximity to northeastern markets compared to the Northwest Territories, Yukon, etc., may offer additional advantages.

c) Overseas Markets

- Looking at the potential of four (4) major overseas travel markets, we have estimated the size of each product segment which would have appeal for an outdoors/adventure/cultural product in Canada. To further refine this number, we have applied realistic rates of interest to Arctic destinations by using Labrador and the Northwest Territories as known examples of the Arctic in the international marketplace. In total the four major overseas markets were seen to have the following potential for Arctic destinations.
  - France: 66,500 to 139,000 persons in the outdoors and subcultures sector
  - Germany: 25,000 top 77,000 persons in the outdoors and nature sector
    21,500 to 95,600 in the outdoors and sports sector
  - U.K.: 16,800 to 28.800 in the culture and nature sector
    13,200 to 17,600 in the sports sector

- Japan: 12,100 to 18,300 in the culture and nature sector.

Canadian Arctic destinations have to be promoted as being rough, outdoors and thrilling to overseas markets. The lucrative markets of Germany and France also possess strong potential in the area of fishing and hunting. In all overseas markets, product quality and strong organization are critical.

When comparing all these markets, **the French, German and U.S. markets are the largest in terms of size of population with a propensity to visit Arctic destinations. The cost of travel and marketing limits expansion of European markets to reduce them to a status of secondary market after the United States, however, the connections provided by the military may assist the study area in developing European markets more successfully than other northern areas.**

A4.2 Summary of Specialty Markets

For each of the specialty markets investigated we gained an understanding of its general size, growth character, market character and level of competition from elsewhere.

- **By gross size of market,** the largest markets for Canadian Arctic destinations in order from largest to smallest are:

  1. cultural/general interest tours
  2. adventure travel
  3. fishing
  4. cruise
  5. hunting

- In terms of long term potential, strong growth is projected for adventure, cultural tours and cruising, moderate growth for fishing and low/no growth for hunting.

The following is a summary of each market's potential based on market research undertaken for this study:

a) Potential in Fishing Markets

- This market is an area of growth and one which is already very successful in the region.
- The study area ranks very highly level against other destinations in Canada in term of resources and infrastructure.
- Considering market size, interest in Arctic destinations and cost of accessing the market, the following markets potential exists for all Arctic destinations:

		Potential for Arctic destinations
Primary:	Ontario	24,000
	U.S.	21,800
Secondary:	Quebec	8,700
	Germany	43,700
	France	12,400
		110,600

- The study area is penetrating the market at less than 1% at present (at less than 1000 fishermen)
- Opportunities to develop this market further include:
  - increasing space in present camp facilities and/or increasing the number of fishing lodges when occupancy levels warrant this
  - offering mini packages and incentive packages to business and military clientele in the area.
  - establishing more co-operative marketing opportunities between existing outfitters

b) Potential in Hunting Markets

- This market is successfully being targeted by the Labrador West area, and given migration patterns it would appear this area will continue to be a more favourable hunting area than those areas accessed out of the Lake Melville area.

- Given current success, market size and character and cost of accessing the market, the following market potential exists for all Arctic destinations:

		Potential for Arctic destinations
Primary:	Ontario	7,300
	U.S.	6,500
Secondary:	Quebec	2,600
	Germany	9,400
	France	4,200
		30,000

- In total, it would appear the study area has limited opportunity to dramatically increase it hunting activity.

c) Potential in Wilderness Adventure Markets

- This market is a large and growing market with a special appeal for exotic destinations.

- Considering market size and character and cost of accessing the market, the following should be marketing priorities:

		Potential for Arctic Destinations*
Primary:	U.S.	7,800 - 34,000
Secondary:	France	44,500 - 68,000
	Germany	42,600 - 64,500
	U.K.	9,500 - 19,800
		104,400 - 185,800

* The variance in size of the above market exhibits market potential ranging from higher physical activities (e.g. hiking) to softer and more wildlife/wilderness - focused activities which have broader appeal.

- At present no more than 50 to 100 persons visit the area per year, less than 1% of the market.

- The larger northern Labrador area and coast would rank equally with other destinations such as Baffin Island, the Yukon with respect to appeal to this market. Other areas, however, are more strongly developed in terms of being a recognized destination, have established wholesaler relationships and necessary infrastructure and services required to meet market demand.

- Opportunities in this market include
  - establishing a good working relationship with a specialty wholesalers
  - establishing guide/hospitality training services for local residents
  - establishing good linkages between the Lake Melville entry/access point and the smaller communities in the north/on the coast
  - development of hostel accommodation and/or a wilderness lodge/retreat for this market.
  - utilizing hunting/fishing lodges in their off season.

- development of a national or provincial park would elevate the image or the destination to this market and ensure its image as a pristine wilderness environment.

d) Potential in Cruise Markets

- This market has opportunities limited only to the following markets:

		Potential for Arctic Destinations
Primary:	U.S.	40,000
Secondary:	Germany	22,500
		62,500

- A very limited amount of cruise activity is occuring in the area at present.

- Given the size of the market and the net contribution to the local economy it should be seen to be of lower priority.

- This market has a lower level of competition as Arctic Cruises typically feature the west coast.
- Cruises could be developed as part of an overall tour of the Labrador Coast.
- Cruise development, in summary, could occur as part of a more general interest tour which is a multi-modal land-based experience rather than a total cruise vacation.

e) Potential for Cultural/General Interest Tours

This is the broadest market with the greatest level of competition as it is more "general" in nature. It could include for example: wildlife tours, photography tours, bus/cruise/air transport, cultural demonstrations, "soft" adventure. This tour could be part of a larger tour of Canada to appeal to European clientele. In terms of market size, this market generally includes all persons with an interest in outdoors, culture in Arctic destinations:

		Potential for Arctic Destinations
Primary:	U.S.	98,000
	France	139,000
Secondary:	Germany	77,400
	Quebec	13,600
		328,000

- Very few general tours are occuring in the area at present e.g. a local operator is attempting to start up photography tours.
- This market requires the greatest effort on the part of the host community as it is the market which expects a certain minimal level of services and facility development.
- The key to sucessfully targetting this market will be the establishment of relationships with Labrador West, and over the long term South Coast operators, to encourage multi-modal tours into the area e.g. the Labrador

West by rail, to Happy Valley - Goose Bay by road, to the Coast by air or ferry, etc.

Appendix B

Interview/Contact List

CENTRAL LABRADOR

INTERVIEW/CONTACT LIST

Mr. Dave Lough	Senior Regional Manager, Dept. of Development and Tourism
Mr. Hank Shouse	Mayor, Happy Valley-Goose Bay
Mr. Al Durno	Manager, Happy Valley-Goose Bay
Mr. Warrick Pike	Labrador Airways
Mr. Val Bourque	Executive Director, Labrador Venture Capital
Mr. Chris Murden	Development Officer, Labrador Venture Capital
Mr. Harold Marshall	Atlantic Canada Opportunities Agency
Mr. Reg. Bowers	Industrial Development Officer, Dept. of Development and Tourism
Colonel P.C. Engstad	Base Commander, CFB Goose Bay
Mr. Ian Strachan	Executive Director, Mokami Project Group
Mr. Don Newman	Marine Atlantic
Mr. Herb Brett	Co-ordinator, Mokami Regional Development Assoc.
Mr. Robin Dupuis	Steering Committee
Mr. Tom Paddon	Steering Committee
Mr. Larry Peckford	Manager, Canada Employment Immigration Centre
Ms. Juanita Peyton	Air Nova
Mrs. Colleen Baikie	Air Nova
Mr. Rick Dawes	Sealand Helicopters
Mr. Jack Cooper	Labrador Outfitters Association
Mr. Terry Paor	Goose Bay Outfitters
Mr. Rollie Reid	Newfoundland-Labrador Hunting and Fishing
Mr. Fred Hall	Labrador Inuit Development Corporation
Mr. Fred Maclean	Mountain Outfitters
Mr. Bob Kelly	Last Frontier Fishing Camps
Mr. Terry Powell	Powell's Outfitting
Mr. Ray Cole	Lobstick Lodge
Mr. Stu Luttich	Regional Wildlife Division, Dept. of Culture, Recreation and Youth

INTERVIEW/CONTACT LIST

(Cont'd.)

Mr. Clyde House	Air Northland
Mrs. Doris Saunders	Them Days
Mr. Howard Michelin	Double Mer Fish Camps
Mrs. Clarice Rudkowski	Labrador Handicrafts
Mr. William Anderson	Labrador Innuit Association
Mr. Reg Michelin	Treasurer, Labrador Metis Association
Mr. Joe Goudie	President, Labrador Metis Association
Mr. Rob Hanson	Freedom Road Camera Tours
Mrs. Greta King	Labrador Inn
Ms. Christina Sheppard	The Royal Inn
Mr. & Mrs. White	The Aurora Hotel
Mr. Paul Williams	Universal Helicopter
Major Martinson	C.F.B. Cold Lake, Alberta
Mrs. Vera Graham	Reservations, Marine Atlantic
Mr. Wayne Clark	Marine Atlantic
Mr. Randy Butler	Dept. of Development and Tourism
Mr. & Mrs. John Goudie	Labrador Jewellery, Northwest River
Exploratours	Montreal, Quebec
Trentway Tours	Peterborough, Ontario
Horizon Tours	Toronto, Ontario
Hanover Holiday Tours	Hanover, Ontario
Letto Tours	L'anse au Clair, Labrador
Mr. Len Rich	Dept. of Development and Tourism
Mr. Ed Benson	Dept. of Development and Tourism

Appendix C

Northern Canadian Competing Packages/ Tour Wholesalers to Canada

APPENDIX "C"

NORTHERN CANADIAN COMPETING PACKAGES

The following Appendix is a listing of those operations who offer competing packages to Northern Canadian destinations.

As such, the operators of Newfoundland - Labrador are not included in these listings.

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES
BY SPECIALTY MARKETS

FISHING/HUNTING PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
YUKON			
Brockland's Wilderness Camp	Box 299 Atlin, B.C. V0W 1A0	• fly-in fishing including lake trout, arctic grayling, and northern pike • hiking, nature photography and sightseeing also available	• full services supplied including food, accommodation, meals and guide services
Johnnie John's Fishing Trips	Carcross, Yukon Y0B 1B0 403-821-3116	• fishing, camping and photography trips • fish includes lake trout, arctic grayling and northern pike	
Kluane Lake Tours	General Delivery Destruction Bay, Yukon Y0B 1H0 403-841-4411	• specializes in sport and trophy fishing • drive in or fly to a selection of remote lakes • package trips include transportation, cook, guide, boat, motor, meals and tent frames	• reservations required • open June 1 to September 30
Kluane Wilderness Lodge	Box 5212 Whitehorse, Yukon Y1A 4Z1	• fly-in fishing at Wellesley Lake 322 km northwest of Whitehorse • accommodation for 12 • price includes charter flight to lodge from Whitehorse, meals, accommodation, boats and motors • sightseeing and glacier tours available	

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

FISHING/HUNTING PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Peacock's Yukon Camps	77 Alsek Road N. Whitehorse, Yukon Y1A 3K5 403-667-2846	• fly-in wilderness fishing trips • fully equipped housekeeping camps on lakes 60 to 115 miles north of Whitehorse offering lake trout, arctic grayling and northern pike fishing	• only one camp per lake and one party of 2 to 8 per camp • trips of one to seven days
Tagish Lake Fishing Tours	General Delivery Tagish, Yukon 403-399-3800	• guided fishing trips • guided sightseeing trips also available	
Yukon Fishing Safaries	Box 5209 Whitehorse, Yukon Y1A 4Z1 604-785-0098	• 5 to 10 day trips departing from Whitehorse for spring steelhead, halibut, king salmon, coho, trout and grayling	
Yukon Tours Division of Abenteur Ltd.	200-37 Jarvis Street Whitehorse, Yukon Y1Z 2H3 403-668-2738	• guided canoe and fishing trips • also offers hiking, wildlife photography, hunting and horse back riding	
White Moose Tours and Outfitting Ltd.	Box 5215 Whitehorse, Yukon Y1A 4Z1 403-668-7336	• freighting and outfitting for campers, hikers and hunters. Trips to Ben My Chree, Atlin Provincial Park, Llewellyn Glacier and Tagish Lake	

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES
BY SPECIALTY MARKETS

FISHING/HUNTING PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
NORTH WEST TERRITORIES			
East Wind Arctic Tour and Outfitters	P.O. Box 2728 Yellowknife, N.W.T. X1A 2R2 403-873-2170	• 5 and 8 day Arctic Trophy Fishing trip, accommodatin at full service lodge on Lynt Lake. Two guests per boat with guide tour 160 km lake system for arctic grayling and northern pike, all inclusive from Yellowknife $2,150	• maximum 12 persons
High Arctic International Explorer	Box 200 Resolute Bay, N.W.T. X0A 0V0 819-252-3875	• 8 day fishing package from Resolute to Weswell Bay. Accommodation, meals and fishing also to Resolute Bay, all inclusive $1,580	• mid June to end of August • groups of 6 to 12
BRITISH COLUMBIA			
Custom Sport Charters	Box 196 Kitimat, B.C. V8C 2G7 604-632-4655	• 3 day fishing package for salmon, cod, halibat and crab. Visit to natural hot springs, $276 per person, minimum of 4 people	• mid March to mid September • includes accommodation, motor boats, skipper, deckhand and fishing tackle

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

FISHING/HUNTING PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
ALBERTA			
Andrew Lake Lodge	1084 Haythorne Road Sherwood Park, Alberta T8A 3Z4 403-464-7537	• 3, 4 and 7 night packages offering trophy fishing at Ft. Chipewyan, Alta. and Ft. Smith, N.W.T. for lake trout and northern pike. Accommodation at the site consists of a main lodge and 8 log cabins. 3 night package $350 per person, 4 nights $450, 7 nights $695	• May to early Octobet • includes full accommodation, meals, boat, motor, gasoline, packaging and freezing of fish, and round trip airfare between Ft. Smith and the lodge
Margaret Lake Lodge	Box 113 Grande Prarie, Alberta T8V 3A1 403-532-8247	• 7 day fishing packages to Margaret Lake, near Wood Buffalo National Park, fully serviced lodge	• includes accommodation, meals, boats, motors and gas
Big Spring Sport Fishing Ltd.	204-1062 Austin Avenue Coquitlan, BC V3K 3P3 604-939-2938	• 4 and 5 day Salmon fishing packages to Rivers Inlet, all inclusive price and deluxe lodge accommodation from $1,325 per person to $1,485	
Canadian Wilderness Adventures	c/o Skeena Projects Box 3055 Salmon Arm, BC VOE 2T0	• offers a variety of trout fishing excursions	
Pacific Tours	Box 1052-SC Prince Rupert, BC V8J 4H5 604-627-7777	• North Pacific excursions from Prince Rupert for salmon and halibut fishing	

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NORTHERN CANADIAN COMPETING PACKAGES
BY SPECIALTY MARKETS

FISHING/HUNTING PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
SASKATCHEWAN			
Dash Tours	199 N. Leonard Street Regina, Sask. S4N 5X5 306-585-0825	• offering "Great Canadian Goose Hunt" packages	
Can-Am Outfitters	Box 2999 Swift Current, Sask S9H 4V2 306-773-5666	• offers packages hunting water fowl, upland game birds and white tailed deer	
Northern Saskatchewan Outfitters Assoc.	P.O. Box 2016 Prince Albert, Sask. S6V 6K1 306-763-5434	• will co-ordinate hunting packages to suit preferences of hunter regarding trip length, location and type of hunt	
Sportsmen's Adventures Inc.	94 Empress Drive Regina, Sask. S4T 6M6 306-522-6381	• offers a variety of hunting excursions, packages may be co-ordinated to suit needs of hunter	
MANITOBA			
Deep River Outfitters	Box 1034 Churchill, Manitoba R0B 0E0 204-675-2072	• fly-in fishing packages	
Hartwig Wilderness Adventures	500 Henderson Highway Winnipeg, Manitoba R2K 2H8 204-668-3234	• specializes in fishing and hunting trips for individuals and groups.	

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

FISHING/HUNTING PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
New Concepts Sports Travel	1110 Sanford Street Winnipeg, Manitoba R3E 2Z9 2094-783-6346	• complete fishing packages specializing in sales incentives and business meeting facilities to top line Manitoba fishing lodges.	
Northern Manitoba Native Lodges	Room 110-1808 Wellington Ave. Winnipeg, Manitoba R3H 0G3 204-773-4555	• all inclusive fishing packages for individuals and groups to native operated lodges. Also offers hunting packages.	
Sportsman Group Travel	757 Charleswood Avenue Winnipeg, Manitoba R3R 1K7 204-895-7407	• custom designed all inclusive fishing and hunting packages.	
ONTARIO			
Algoma Holidays and Tours	212 Queen St. E. Sault Ste Marie, Ontario	• 6 day Arctic fishing vacation on Sutton River, Hawley Lake and Hudson Bay. From $2,000 per person depending in group size	• includes return air transportation from base to outpost, alumimum boat, motor and all fuel • guide included • American Plan accommodation
Ellerman Tours	91 Yonge St. Toronto, Ontario M5C 2R3 416-364-0732	• offers a variety of fishing packages throughout Northern Ontario	

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

FISHING/HUNTING PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
QUEBEC			
Northern Quebec Vacation Adventures		• offers a variety of fishing excursions to camps in the Ungava Bay, Fort Chimo, and George River and Schefferville areas.	
Arctic Adventures		• offers fishing packages to three fishing camps at Payne Bay, Tunulik River and George River. Fishing includes arctic char, lake trout and salmon	
Arctic Adventures		• offers a variety of trophy and meat caribou hunts.	

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
YUKON			
Artic Edge Expedition Outfitting	Box 4896 Whilehorse, Yukon Y1A 4N6 403-633-2443	• complete planning, equipment and expediting service for canoe expeditions in the Yukon, Northern B.C. and N.W.t. • transportation to drop-off and pick-up points	• canoe rentals available • food purchasing and packaging available
Ecosummer Yukon	Box 5095 Whitehorse, Yukon Y1A 4Z2	• specializes in guided backpacking trips and mountaineering in Kluanne National Park • wilderness canoe trips throughout the Territory • raft trips on Firth, Alsek and Tatshenshin Rivers	• emphasis on environmental interpretation
Frances Lake Wilderness Lodge and Tours	Bag 3200 Watson Lake, Yukon Y0A 1C0 Radio Phone 2M3180	• offers custom tailored all inclusive package tours for groups of 4 to 6 throughout Yukon • specialize in guided canoe/backpacking/ bus tours • activities include fishing, hiking and photography	• English, German and French spoken • special rates in June and September
Hyak River Expedition	1698 West 4th Avenue Vancouver, B.C. V6J 1L9 604-734-8622	• 13 day rafting trip on Firth River	• July 3-15

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Indian River Ranch	P.O Box 360 Atlin, B.C. V0W 1A0	• offers 8 day tours of the north country by overnight pack trips, trail rides, boat, canoe and hiking • ranch provides all lodging, food, horses, boats and motors, canoes, guides and wranglers	• view the Janeau icefields and Lewellyn Glacier from houseboats and aircraft
Jubilee Packtrain	Box 5299 Whitehorse, Yukon Y1A 4Z2 Radio Phone 2M5174	• White Mountain Channel pack trips and trail rides into the high country of Yukon southern lakes area	
Karpes and Pugh Company	Box 5152 Whitehorse, Yukon Y1A 2S3 403-668-4899	• guided boat trips, canoe trips and fishing trips • operators of a 60 foot twin deck riverboat offering 7 northbound and 7 southbound trips on the Yukon River between Whitehorse and Dawson City • Stateroom accommodation, deck passage and point to point travel available	• canoe rentals available • June 1 to September 30

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Kluane Adventures	Box 5466 Haines Junction, Yukon K0B 1L0 403-634-2282	• offers trips in and around Kluane National Park • activities include leisurely walks, alpine treks, gold panning, wildlife photography, guided 5 day horse packing trips and fishing trips • also offers winter cross-country skiing packages, ice fishing and winter ecology seminars	• equipment rentals for back packing, boating and fishing available
North Country Travellers	Box 14 Atlin, B.C. V0W 1A0 Radio Phone 2M5017	• offer dog sledding, cross-country skiing and canoeing trips • summer guiding fare provides all package needs • accommodation includes log cabin and camping	• winter ski/dog sled fare including everything except ski boots and personal gear • airfare to Whitehorse not included • all trips include transportation to Atlin from Whitehorse
Pack Trails North Adventures	Box 484 Watson Lake, Yukon Y0A 1C0 403-536-2174	• offers family camping, photography, hiking, trail rides, mountain climbing and fishing trips • trip length may be tailored to group's preference	• caters to all ages
Rainbow Adventure Tours	Whitehorse Travel 3089-3rd Avenue Whitehorse, Yukon Y1A 5B3 403-668-5598	• specialize in flightseeing tours through Kluane National Park, canoe trips, fly-in fishing trips and heli-hiking	• canoe and camping equipment rentals available

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Sundowne Mountain Adventures	Box 4801 Whitehorse, Yukon Y1A 4N6	• Yukon wilderness horseback safaris • small groups are personally guided through mountains with opportunity to view and photograph wildlife	• departures from Whitehorse
Tatshenshini Expediting	1602 Alder Street Whitehorse, Yukon Y1A 3W8 403-633-2742	• offers complete package of canoe, touring and white water kayak trips	• all accessories are provided • instruction available for all equipment handling
Wanderlust	c/o 3 Hart Crescent Whitehorse, Yukon Y1A 4R2 Radio Phone 2M8250	• custom dog sled trips • day trips and excursions of one night or more to fixed or portable camps • also dog team support for cross-country ski trips • custom guided canoe trips on Yukon River	• all food and equipment provided except personal gear
Wild and Woolly	Box 53 Carcross, Yukon Y0B 1B0	• wilderness living techniques for winter and summer • extended canoe and backpacking trips • year round trip living in wilderness setting • cross-country trips with dog sled support	• meals and equipment provided • canoeing instruction available • guided mountaineering and instruction
Yukon Wilderness Unlimited	Box 4126 Whitehorse, Yukon Y1A 3S9 403-668-5244	• exclusive naturalist sojourns into wilderness • offers calm water float trips, and river boat trips all completely outfitted personally conducted	• small groups only, maximum 6 participants • indpeth, interpretative experiences with special appeal for older and/or inexperienced travellers

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
NORTH WEST TERRITORIES			
Arctic Waterways	R.R. #2 Stevensville, Ontario L0S 1S0 416-382-3882	• rafting of the Coppermine or Horton Rivers in large inflatable boats • two week trips in July and August • fishing also available • Coppermine trip cost $1,885, Horton $2,400 and Anderson River $2,400	• maximum of 10 participants per trip
Arctrek Tours	1840, 10123-99 Street Edmonton, Alberta T5T 3H1 403-424-5278	• travel over 5,000 miles of Arctic terrain in chartered aircraft • regional tours, shopping, native tours • package price of $1,160	• Cost includes airfare from Edmonton, accommodation, ground transportation and most meals • custom tours for groups available

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Canada North Outfitting Ltd.	Box 1230 Waterdown, Ontario L0R 2H0 416-689-7925	• Arctic Skiing Tour - 10 day trip from late April to early May from Frobisher to Lake Harbour. Accommodation in chalets. All inclusive from Montreal $2,350	
		• Grise Ford Cross-Country Ski Touring Trip with experienced Inuit guide and dog team. Accommodation in ingloos. Eight day tour. All inclusive from Montreal or Edmonton $3,250	
		• 10 day dog sled trip from Igoolik to the floe edge in Foxe Basin. Accommodation in igloos. All inclusive from Montreal $2,675.	• outstanding photographic opportunities with 18 hours of daylight
		• Backpacking in Auyuittug National Park from July 5 to August 23. Package includes complete hiking and backpacking information, boat charter from Pangnirtung. All inclusive from Montreal $995.	• tour length varies from a few days to several weeks

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NORTHERN CANADIAN COMPETING PACKAGES
BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Canoe Arctic Inc.	Box 130 Fort Smith, N.W.T. X0E 0P0 403-872-2308	• fly-in canoe trips, with wildlife viewing, fishing and photography opportunities • small groups, guided by a wildlife biologist and veteran arctic canoe guide • 7 days from $1,000, 12 days from $1,600 and 19 days from $3,400	• food and equipment provided • June 1 to September 15 • all inclusive from Fort Smith or Yellowknife
East Wind Arctic Tours and Outfitters	P.O. Box 2728 Yellowknife, N.W.T. X1A 2R2 403-873-2170	• Thelon River Canoe Expedition 1 to 8 week trips with full guided or self guided outfits. All inclusive from Yellowknife from $1,400 to $3,000 depending on location and duration.	• canoes and outfitting equipment supplied
		• Remote Tundra Backpacking Expedition guided tours trek among major caribou crossings, historical and Inuit sites, nesting geese and falcons for 8 day trips. 2 day circle trips with intermittant overnights at lodge. All inclusive from Yellowknife starting at $2,150 per person.	• guests supply packs and sleeping bags

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Great Slave Sledging Company	Box 2882 Yellowknife, N.W.T. X1A 2R2 403-420-2611	• offers a variety of trips and activities including kayaking, bird watching, fishing, crafts, exploring, wildlife viewing, winter dog sled and skiing expeditions • accommodation at a two story log lodge on the remote west shore of Great Slave Lake	• Maximum of 12 guests at one time
High Arctic International Explorer	Box 200 Resolute Bay, N.W.T. X0A 0V0 819-252-3875	• 11 day trip to the North Magnetic Pole from Resolute Bay from mid April to mid June by snowmobile-sledge - all inclusive $2,480 • 11 day "on Top of the World" journey by snowmobile and sledge between Resolute Bay and Grise Ford. Crosses the Northwest Passage, camping in tents and igloos - all inclusive $2,280 • 11 day camping trip to Ellesmere Island in the high Arctic, among mountains, ice caps and glaciers	• gropus of 2 to 10 people • arctic clothing, Inuit guides, camping equipment, sleeping bags and radio equipment provided • includes arctic clothing, equipment, guides, lodging, meals and airfare from Grise Ford to Resolute • tour leaves Resolute July 17, 24 and 31

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Northwest Expeditions	1616 Duranleau Street Vancouver, B.C. V6H 3S4 604-669-1100	• 2 week rafting trip down the historic Coppermine River, with fishing also available	• experienced wilderness guides provided
		• 12 day rafting and nature exploration tours on the Nahanni River. Activities also include wildlife viewing, day hikes, water falls and hot springs	• departures from Watson Lake in July and August • experienced whitewater guides provided
Subarctic Wilderness Adventures	Box 685 Fort Smith, N.W.T. X0E 0P0 403-872-2467	• 2 and 4 day rafting and canoeing tris down the Slave River	• weeked departures
		• subarctic mosaic treks through wood Buffalo National Park, witnessing a variety of ecological zones by foot, minibus, canoe and raft	• escorted departures May to September
		• 3 to 5 day nomadic camp to camp or hut to hut adventures by dog sled with local people as guides	• departures from Form Smith, mid February to March
		• 4 to 5 day air charter trip to caribou winter feeding range. Small groups experience life with a native family	• departure from Form Smith, mid February to mid April
Sunrise Wilderness Services	P.O. Box 8368 Station F Edmonton, Alberta T6H 4W6 403-435-6417	• fully outfitted and guided 1 to 3 week canoe trips on the Nahanni River	• June to September • 10 person maximum

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Top of the World Tours	Box 2346 Yellowknife, N.W.T. X1A 2P7 403-435-6417	• all inclusive fishing, canoeing, wilderness spring packages	
Trail Head	1341 Wellington Street Ottawa, Ontario K1Y 3B8 613-722-4229	• Bathurst Inlet watershed Canoe Trips with guiding and outfitting for 1, 2 and 3 weeks • 2 and 3 week canoeing adventures in Nahanni National Park including outfitting and licensed guides	• package includes canoe rentals, flights and accommodation
Tuullik Wilderness Adventures	Box 4201, Station E Ottawa, Ontario K1S 5V2 613-230-8077	• 2 week kayaking package in Baffin including kayak training session • offers several white water rafting expeditions including a 2 week trip on the McKeand River, 2 day trips near Frobisher Bay and trips to the Sylvia Grinnel River • backpacking trek through Auyuittug National Park - tour length varies depending on participant needs and preferences	• Mid July to mid September • all inclusive, kayaks and equipment • maximum 10 participants • includes guides, transportation, accommodation, meals and specialized trip equipment
SASKATCHEWAN			
Frontier Guiding and Outfitting	Tweedsmier, Sask. S0J 0N0 306-982-4805	• pioneer covered wagon trips through historic Saskatchewan	

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Northern Saskatchewan Outfitters Assoc.	P.O. Box 2016 Prince Albert, Sask. S6V 6K1 366-763-5434	• all inclusive guided canoeing/camping tours. Trips arranged to suit clients needs	• May through September
Canadian Wilderness Adventure Ltd.	201-116 8th Street S.W. Calgary, Alberta T2P 1B3 403-294-1334	• white water rafting trips in Northern Saskatchewan, guided expeditions	
Free Wheelin' Bicycle Tours	2205 Victoria Avenue Regina, Sask. S4P 0S4 306-522-3651	• offers multi-day cycling tours throughout the province	• Spring through Fall
ALBERTA			
Amethyst Lakes Pack Trips	P.O. Box 508 Jasper, Alberta TOE 1EO 403-866-3946	• 3 and 4 day horseback riding trips through the Tonquin Valley. Also opportunities to fish, hike and photograph nature. 3 day cost $280 per person, 4 day cost $350 per person	• all ages • June through September
Diamond Jim's Mountain Rides	P.O. Box 394 Rocky Moutain House, Alberta TOM 1TO 403-845-6859	• 4 to 10 day pack trips to various wilderness areas in the Rockies. Well trained horses suitable for untrained riders. Activities include riding, fishing, biking	• from age 6 and older • June to August

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
High Country Vacations	P.O. Box 818 Grande Cache, Alberta TOE OYO 403-827-3246	• 5 day pack horse trips through Willmore Wilderness Park. Packages includes tent camps, saddle and pack horse, guides, packers and cooks	• June through August • non scheduled trips may be arranged
Horseback Adventures	General Delivery Brule, Alberta TOE OCO 403-866-3746	• offers 6 and 12 day trail trips into Jasper National Park and Willmore Wilderness Park.	• June through August
Vobis Enterprises	P.O. Box 803 Hinton, Alberta TOE 1BO 403-865-7877	• Camping excursions to Camp Apa Cheesta, a 2,600 meter peak overlooking Jasper National Park and Willmore Wilderness Park. Groups of 5 live in authentic Indian tipis. $825 per person for 10 day experience	• June through August
Tomhawk Canoe Trips	11035-64 Avenue Edmonton, Alberta T6H 1T4 463-436-9189	• offers a variety of canoe experiences varying from 1/2 day trips to 7 day adventures	
Rocky Mountain Vacations	Box 231P Bantt, Alberta TOL OLO 403-762-4347	• offers a variety of packages in the BC Rockies including horseback riding, whitewater rafting, fishing, mountaineering, canoeing and kayaking	

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Subarctic Wilderness Adventures	Box 685 Fort Smith, N.W.T. X0E 0P0 403-872-2467	• paddling trips through Northern Alberta, into such areas as Wood Buffalo National Park. Rates range from \$69 to \$239 per person depending on trip location and duration • offers a variety of hunting, camping, trekking, and hiking trips into Wood Buffalo National Park. Rates range from \$69 to \$570 depending on group size and trip duration	• mid June to mid September
BRITISH COLUMBIA			
Mt. Robson Adventure Holidays	Box 146 Valemount, BC VOE 2ZO 604-566-4351	• offers guided back packing canoeing excursions. Equipment rentals available. Accommodation in log cabins	
Pathway Tours	c/o Inra Hagen's Travel Kerrisdale 5915 West Boulevard Vancouver, BC V6M 3X1	• offers a variety of canoeing and hiking packages, targeted to adults and seniors	
Ecosummer Expeditions	1516-A Duranleau St. Vancouver, BC V6H 3S4 604-669-7741	• offers photography, kayaking, camping, trekking, and sailing excursions to the Queene Charlotte Islands	

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NORTHERN CANADIAN COMPETING PACKAGES
BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Comorant Kayak Adventures	2750 Waterloo St. Vancouver, BC V6R 3H9 604-732-9480	• sea kayaking packages including wildlife and scenery viewing, fishing and camping	
Hyak River Expedition	1698 West Fouth Ave. Vancouver, BC V6J 1L9 604-734-8672	• offers 1 to 7 day whitewater rafting expeditions	
Whitewater Adventures	1616 Duranleau St. Granville Island Vancouver, BC V6N 3S4 604-669-1100	• offers 1 to 12 day whitewater rafting excursions	
Alpine Wilderness Adventures	P.O. Box 1 Tatlayoke Lake, BC VO1 1WO 604-372-2338	• offers horse back trips including such activities as fishing, photo safaris, cross country skiing and wilderness skill development	
Mountain Line Tours	Box 431 Port McNeil, BC VON 2RO 604-2RO	• package tours of limestone caves and other popular recreational destinations.	
Wilderland Explorations	4611 Lakelse Ave Terrace BC V8G 1P9 604-635-2281	• 4 to 12 day river rafting expeditions on Babine, Liard, Stikine and Tatshenshini Rivers	• package includes professional licensed guides, all safety equipment, meals and roundtrip transportation from rendezvous points

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
B.C. Wilderness Outfitters	7137 Kennedy Cres Prince, George BC V2K 2P9 604-962-6438	• offers guided river rafting excursions and Salmon fishing trips	
MANITOBA			
Hartwig Wilderness Adventures	500 Henderson Highway Winnipeg, Manitoba R2K 2H8 204-668-3284	• Offers canoeing, white-water rafting and guest ranch packages	
Manitoba Farm Vacations	525 Kylemore, Willipeg, Manitoba R3B 0W8 204-475-6624	• Offers overnight excursions and package trips to farms within Manitoba	
Manitoba Wilderness Skills	302-128 James Avenue Winnipeg, Manitoba R3B 0W8 204-943-9029	• Offers 5 day excursions including canoeing, hiking, fishing, swimming and nature study in Whiteshell Provincial Park	• Package includes food and supplies, canoe and safety equipment.
Northern Manitoba Outfitters	Bevens River, Manotiba R0B 0A0 204-382-2379	• 10 day all inclusive raft packages from Oxford House to York Factory on the Hayes River. Also offers canoeing and whitewater rafting packages.	
Tarow Wilderness Tours	Herb Lake Landing Snow Lake, Manitoba R0B 1M0 204-474-1443	• Offers spring and winter trapline tour packages complete with guides, trail meals, fishing and accommodation	• Weekend and weeklong excursions.

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Trailhead Outfitters	Lake Andy, Manitoba R0J O2O	• Spring and fall nature and wilderness trips through Riding National Park. Summer overnight horseback pack trips.	
ONTARIO			
Willards Adventure Expeditions	107 Dunlop St. E. Box 10 Barrie, Ontario L4M 1A6 705-737-1881	• 6 day camping and hiking treks in Killarney Provincial Park through primitive Canadian Shield region. Cost $200 per person	
Algonquin Canoe Routes	P.O. Box 187 Whitney, Ontario KOJ 2MO 705-637-2699	• offers 7 to 14 day canoe, kayak and whitewater rafting trips includes complete outfitting, counselling and pre-trip planning for beginners and experts. 7 day trip $365, 10 day trip $550 14 day trip $700	
Canoe Canada Outfitters	Box 1810 Atikokan, Ontario POT 1CO 807-597-6118	• Specializes in complete ultralite outfitting and trip planning for wilderness canoe trips into Quetico Park	• includes all canoeing and camping eqipment, custom food packing, orientation program and truck portage service
Chieftan Tours	6299 Airport Road Mississauga, Ontario L4V 1N3 416-671-8977	• offers 8 day excursions in Algonquin Park. $378 per person	• includes all food, overnight accommodation all equipment and instruction

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

ADVENTURE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Goway Travel	40 Wellington St. E. Tornto, Ontario M5E 1C7 416-863-0799	• offers a wide program of wilderness and overland camping tours for young adults between 18 and 35. Activities include canoeing, whitewater rafting horseback and hiking excursions $295 per person	• July to September
Northern Horizons Outdoor Enterprises	611-13 Galahad Dr. Oshawa, Ontario LIK 1M1 416-579-6927	• offers canoe, instructional, pleasure and survival trips through Temagami, Quetico, Killarney, Algonquin and Missinabi	• trips operate at a ratio of one guide per 6 persons • pre-trip practice and instructions are provided
Northern Wilderness Outfitters	Box 89 South River, Ontario L6T 3L8 705-474-3272	• offers wilderness canoe trips form 2 days to 2 weeks. Assistance given in developing techniques portaging, cooking skills and wilderness skills	• May to October • includes all equipment, food, canoe, etc
Trailhead Wilderness Adventures	1341 Wellington St Ottawa, Ontario K1Y 3B8 613-722-4229	• specialize in outdoor recreational group tours and wilderness camping and canoe trips	• May to September • complete outfitting rental service
Wilderness Tours	RR#3 lakeshore Drive Box 2777 Thunder Bay, Ontario P7B 5E4 807-683-3151	• guided and unguided ski and canoe adventures, headquartered in Thunder Bay. Activities also include nature interpretation, photography and fishing	• emphasis on involvement and instruction in nature study and wilderness skills

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

CRUISE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
NORTH WEST TERRITORIES			
Mackenzie River Cruises	Box 65 Fort Simpson, N.W.T. X0E 0N0 403-695-2506	• 8 day cruise trips from Inuuik or Fort Simpson down the Mackenzie River. Activities include visiting native villages, photography and fishing.	• end of May to mid September
Various Operators		• boat tours depart from Broughton Island, Ellesmere Island, Frobisher Bay and Inuvik to view beluga, bowhead, narwhal and killer whales.	• July to September
BRITISH COLUMBIA			
Bell Tours	147-7135 - 138th Street Surrey, B.C. V3W 7T9 604-596-3391	• 6 day Coastal Exploration Tour from Vancouver to Campbell River. Includes exclusive occupany of S.S. Thorfinn with fishing equipment and all meals onboard. Cost from $1,200 to $1,500 depending on size of group.	• May to October • package is modifiable to suit client needs

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

CRUISE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
CP Rail - Alaska Cruises	1100-700 West Pender Street Vancouver, B.C. V6C 1G8 604-665-2507	• 7 day inside passage cruise to Alaska. From $895 per person.	• mid May to October • includes ocean transportation, accommodation, entertainment, meals on board and trip cancellation insurance
Various Operators		• boat tours along west coast to view killer whales, grey and humpback whales, blue and mintes whales and porpoises.	• March to October
QUEBEC			
Corliss Tours		• 13 night cruise and bus tour of Canada's Northwest Passage includes deluxe accommodation, meals, 7 day cruise on S.S. Veracruz and visists to Bonaventure Island and Saguenay Fiord. $1,550 per person (double occupancy)	• July to Septembe

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

CRUISE PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Denure Tours	71 Mount Hope Street Lindsay, Ontario K9V 5W5 705-324-9161	• 6 night whale watching trip by deluxe motorcoach and ferry. Destinations include Chicoutimi, Saguenay River and Quebec City. $495 per person (double occupancy)	
Various Operators		• whale watching on the Saguenay River on boat tours from Sault-au-Monton, Les Escoumins, Grandes-Berqeronnes, Tadoussac and Baie-Ste-Catherine on the north shore and from Riviere-du-houp on the south shore. Includes viewing of belusa, blue, fin, minke, right and killer whales and propoises.	• June to September
MANITOBA			
M.S. Lady Chesley Charter Cruise	Box 2 Petersfield, Manitoba R0C 2L0 104-738-2250	• offers historic and naturalist charter cruises for groups to Lake Winnipeg via the Netly Marshes.	
M.S. Lord Selkirk II Cruiseship	Boxc 3930, Station "B" Winnipeg, Manitoba R2W 5H9 204-582-2331	• offers cruises aboard a luxury liner on the Red River within the City limits of Winnipeg.	• May to October
Sea North Tours	9 Franklin Street Box 222 Churchill, Manitoba R0B 0E0 204-275-2195	• boat service to Fort Prince of Wales. In season, Hudson Bay iceberg tours, charters to photograph beluga whales, polar bears and Churchill's coastal birds.	

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

GENERAL TOUR/CULTURE RELATED PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
NORTH WEST TERRITORIES			
Atlas Tours	Box 4346 Whitehorse, Yukon Y1A 3T5 403-668-3161	• 8 day Arctic Trapper motorcoach tour from Whitehorse to Dawson City with an air excursion to Tuktoyaktuk • 4 day tour to Inuvik from Whitehorse featuring motorcoach transportation and travelling via Dawson City	
Canada North Outfitting Ltd.	Box 1230 Waterdown, Ontario L0R 2H0 416-689-7925	• 6 day North Pole Expedition including stays at Resolute Bay, Grise Ford, Eureka weather station and Tanquary Fiord. All inclusive $9,175 from Montreal or Edmonton. • a 5 day Inuit Art Tour package to Cape Dorset, the leading centre of soapstone sculpturing and print making	

APPENDIX 1

NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

GENERAL TOUR/CULTURE RELATED PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Goligers Tours Ltd.	40 St. Clair Avenue Toronto, Ontario M4V 1M2 416-926-0877	• Arctic Circle trip. Unique jet charters from Toronto to Frobisher Bay, with entire tour taking place in the midnight sun. Activities include arctic char dinner, guided tour of Frobisher Bay by local hosts, shopping for hanicrafts	
		• Top of the World Tour, exploring the history and culture of Baffin Island, Iceland and Greenland	• package includes accommodation, meals, transfers and sightseeing
Horizon Holidays	160 John Street Toronto, Ontario M5V 2X8 416-585-9911	• 14 day escorted tour of the Arctic Circle. Destinations include Yellowknife, Inuvik, Tuktoyaktuk, Dawson City, Whitehorse, Skagway, a passage cruise to Vancouver	• June, July and August • trips, sightseeing, shore excursions and most meals included
		• 14 day excorted Arctic Adventure	• June, July and August
		• 11 day escorted tour of the Hudson Bay/Arctic Circle area. Destinations include Rankin Inlet, Repulse Bay, Sanikiluaq, Eskimo Point, Churchill and Moosenee	• trip, most meals, sightseeing included

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NORTHERN CANADIAN COMPETING PACKAGES
BY SPECIALTY MARKETS

GENERAL TOUR/CULTURE RELATED PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
BRITISH COLUMBIA			
British Columbia Swiftsure Tours	119-645 Fort Street Victoria, B.C. V8W 1G2 604-388-4227	• 8 day Southern Charlottes Explorer trip. Activities include viewing ocean wildlife, birds, beachcombing, hiking, fishing and photogrpahy	• 3 departure dates in July and August
MANITOBA			
Churchill Wilderness Encounter	Box 9 Churchill, Manitoba R0B 0E0 204-675-2248	• offers polar bear, birding, beluga whale and Churchill general interest tours	• package tours range from 3 to 9 days
Circle Tours	301 Burnell Street Winnipeg, Manitoba R3G 1A6 204-775-8046	• packaged motorcoach tours of Manitoba, ranging from provincial sightseeing tours, to tours of Churchill and northern communities to agricultural tours.	• from 1/2 to 7 days
Deep River Outfitters	Box 1034 Churchill, Manitoba R0B 0E0 204-675-2072	• offers sightseeing, birding and wilderness tours.	
Fehr Way Tours	1050 Henderson Highway Winnipeg, Manitoba R2K 2M5 204-338-7011	• offers 4 day northern Manitoba, Churchill and Eskimo Point motorcoach tours and a variety of cultural and historical one day tours.	

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

GENERAL TOUR/CULTURE RELATED PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
The Great Greensboro Square Tours	106 Greensboro Square Winnipeg, Manitoba R3T 4L1 204-269-4105	• custom designed escorted tours of Winnipeg and Manitoba for individuals and group tours.	
The Great Canadian Travel Co.	245 Bell Avenue Winnipeg, Manitoba R3L 0J2 204-284-1580	• weekend and 2-week packaged excursion tours by motorcoach, air and ship, featuring northern Manitoba including the port of Churchill.	
Hartwig Wilderness Adventures	500 Henderson Highway Winnipeg, Manitoba R2K 2H8 204-668-3284	• offers sightseeing excursion throughout Manitoba	
North Star Tours	Box 520 Churchill, Manitoba R0B 0E0	• individual and group bus tours of Churchill and area. Boat tours to Prince of Wales. In season beluga whale, polar bear, tundra buggy, natural science tours.	• June to October
Northern Expeditions	Box 614 Churchill, Manitoba R0B 0E0 204-675-2793	• individual and group package tours of Churchill and the area include naturalist, polar bear, birding, historical sites and beluga whale tours. Features a fly-in naturalist polar bear denning site camp trip.	

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES
BY SPECIALTY MARKETS

GENERAL TOUR/CULTURE RELATED PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Via Rail Canada Explorerd Tour	123 Main Street Winnipeg, Manitoba R3C 1P8 2094-947-7477	• 6 day rail tour to Hudson Bay and northern Manitoba, including Churchill.	• June to September • October to November
ONTARIO			
Denure Tours	P.O.Box 238 Lindsay, Ontario K9V 4S1 705-324-9161	• Offers 7 day Lake Superior Circle Tour includes cruise on the M.S. Chi-Cheeman Ferry, Sault Ste. Marie, water Thunder Bay, Minnesota, wisconsin Dells and Frankenmoth, Michigan. $565 per person	• July and August departures
Cardinal	Dunnville, Ontario 416-774-7045	• each of the following listed tour companies offer excursion trips of varying lengths to Agawa Canyon. Tours run between July and September	
Denure Tours	Lindsay, Ontario 705-324-9161		
Escape Travel	Toronto, Ontario 416-977-3808		
Farewell Tours	Toronto, Ontario 416-366-3902		
Fiesta Wayfarer Holidays	Willowdale, Ontario 416-268-3134		
Franklin Tours	Tweed, Ontario 613-478-3622		

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES
BY SPECIALTY MARKETS

GENERAL TOUR/CULTURE RELATED PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Sunquest Vacations	Toronto, Ontario 416-979-3531		
Hanover Holidays	Hanover, Ontario 519-364-4911		
Hi Light Tours	Brantford, Ontario 519-756-5010		
Holiday House Tours	25 Adelaide St. East Toronto, Ontario M5C 1H7 416-364-2433		
Langs Tours	Strathroy, Ontario 519-245-2350		
Ottawa Valley Tours	Ottawa, Ontario 613-725-3045		
Trentway Tours	Peterborough,Ontario 705-748-6411		
All Star Tours	Cambridge, Ontario 519-623-3030		
		• each of the following tour operators offer a variety of excursions to Moosonee and Moose Factory on the Polar Bear Express.	
Cardinal Tours	Dunnville, Ontario 416-774-7045		
Fiesta Wayfarer Holidays	Willowdale, Ontario 416-498-5566		

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES
BY SPECIALTY MARKETS

GENERAL TOUR/CULTURE RELATED PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Franklin Tours	Tweed, Ontario 416-478-3622		
Sunquest Holidays	Toronto, Ontario 416-979-3531		
Manover Holidays	Manover, Ontario 519-364-4911		
Ottawa Valley Tours	Ottawa, Ontario 613-725-3045		
Overland Tours	Agincourt, Ontario 416-291-7334		
Trentway Tours	Peterborough,Ontario 705-748-6411		
Escape Tours	600 Bay St., Suite 405 Toronto, Ontario M5G 1M6 416-977-3808	• 23 day "Great Canadian Adventure" excursion package from Toronto to Tobermory, Georgian Bay, Sault Ste. Marie and Thunder Bay. $1,800	
Holiday House	25 Adelaide St. E. Toronto, Ontario M5C 1H7 416-364-2433	• 6 day Arctic Tidewater/ James Bay Frontier boat cruise package.	• May to August

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES
BY SPECIALTY MARKETS

GENERAL TOUR/CULTURE RELATED PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
QUEBEC			
Americanada International	139 Ouest Sauve Montreal, P.Q. H3L 1Y4 514-384-6431	• 5 night package trip to Lac Saint Jean. Trip includes tour guide, cruise on the Marjolaine, visit to Val-Jalbert, Saint Felicien Zoo and hiking in nature trails. $449 per person (double occupancy)	• July and August
Casser Tour		• 6 night deluxe motor coach package to Gaspé Peninsula including visits to Perce Rock and Bonaventure Island	
Collette Tours		• 6 night deluxe motorcoach package to Gaspé including sightseeing at Perce, Forillion National Park and Metis Gardens. $449 per person (double occupancy)	• June to September

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NORTHERN CANADIAN COMPETING PACKAGES
BY SPECIALTY MARKETS

GENERAL TOUR/CULTURE RELATED PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Explorations	8500 Boul Henri Bourassa Suite 248 Charlesbourg, P.Q. G1G 5X1 418-627-1044	• 2 night deluxe motorcoach tour of the Sept Isles hydro-eleclectric installation. Package includes 3 meals, accommodation, tour guide and tour of Manic 2 and 5. $169 per person (doubhle occupancy)	• August
		• 5 night sightseeing tour of the Lac Saint Jean region, including visit to Val Jalbert, Saint Felicien Zoo, tour of Chicoutimi, cruise on the Saguenay River. $299 per person (double occupancy).	• July
		• 4 night sightseeing tour of the Charlevoix/Minganie region. Trip includes visit to Pecheurs-unis Fish Processing Cooperative, boat trip to Isles Mingan. $269 per person (double occupancy).	• July to August
		• 4 night sightseeing tour of Gaspesie. Trip includes visit to Bernier Maritime Museum, to Botanical Gardens at Grand Metis, to fish farm at Anse Pleureuse, to Gaspé, to natural history centre at Pointe Mont Joli and a boat tour around Perce Rock. $359 per person (double	• July

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

GENERAL TOUR/CULTURE RELATED PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Hanover Holiday Tours	286A - 10th Street Box 94 Hanover, Ontario N4N 3C3 519-364-4911	• 8 day Newfoundland Adventure package. Escorted air and motorcoach transportation to St. John's, Gros Morne National Park, Terra Nova Park and Salvage and Grace Harbour	
Trentways Tours	680 Queensway, P.O. Box 772 Peterborough, Ontario K9J 7A2 705-748-6411	• 19 day escorted motorcoach trip to Newfoundland and the Atlantic provinces.	
UTL Holiday Tours	22 College Street Toronto, Ontario M5G 1Y6 416-967-3355	• 11 day Newfoundland and St. Pierre tour. Destinations include St. John's, Stephenville, Cornerbrook, Gander, Marystown and St. Pierre/Miguelon. $1,203 per person (double occupancy)	
Wiebe Tours	#300 - 10179 105 Street Edmonton, Alberta T5J 3N1 403-421-1636	• 19 day escorted motorcoach tour of Newfoundland and the Atlantic Provinces.	

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NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

NATURE/PHOTOGRAPHIC PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
YUKON			
Old Squaw Lodge	Bay Service 2711 Whitehorse, Yukon Y1A 4K8 403-668-6732	• offers bird watching, hiking and photography, excursions, backpacking and cycling trips are also available	
NORTH WEST TERRITORIES			
Canada North Outfitting Ltd.	Box 1230 Waterdown, Ontario 416-689-7925	• a 10 day Northern Baffin wildlife tour viewing such species as snow geese, whales, narwhal, caribou, arctic hare, arctic fox, wolves and tundra birds at the Bylot Island Wildlife Sanctuary	
East Wind Arctic Tours and Outfitters	Box 2728 Yellowknife, N.W.T. X14 2R2 403-873-2170	• 8 day wildlife encounter trip to Thelon Game Sanctuary, including other activities such as fishing, visiting historical sites	• package can be altered to suit needs

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NORTHERN CANADIAN COMPETING PACKAGES
BY SPECIALTY MARKETS

NATURE/PHOTOGRAPHIC PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
High Actic International Explorer	Box 200 Resolute Bay, N.W.T. X0A 0V0 819-252-3875	• 5 and 8 day summer vacation trips for bird watching, visiting Inuit sites and boat trips with Inuit hunters. Viewing of seal, walrus or beluga. 5 day package $450, 8 day $650	• accommodation, meals, guides, ground transportation all included
		• 11 day Polar Bear Pass Nature Tour, including 7 days camping on Bathurst Island $1,280 per person	• tours depart from Resolute June 26 and July 3 • price includes all meals and accommodation, food and camping equipment and charter transportation
Qaivvik Ltd.	Box 1538 Yellowknife, N.W.T. X1A 2P2 403-873-2074	• 5 day Caribou Migration Naturalist Experience from Yellowknife to caribou camp on Courageous Lake	• August tours

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES BY SPECIALTY MARKETS

NATURE/PHOTOGRAPHIC PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Subarctic Wilderness Adventures	Box 685 Fort Smith, N.W.T. X0E 0P0 403-872-2467	• subactic Spring Experience from Fort Smith to the Tazin Highlands. Waterway travel, observe migration rounds and water based native harvest. Cost $159 per person per day plus airfare	
		• 5 day cultural-photographic trip from Talston/Oracha Falls basecamp. Travel by canoe or skiff with local people. Activities include observing such wildlife as beaver, muskrat, bear, bison, native cooking and crafts, and nomad style travel. Inclusive from Fort Smith $1,375	• weekly departures mid May to mid June
Swiftsure Tours Ltd.	119-645 Fort Street Victoria, B.C. V8W 1G2 604-388-4227	• 13 day escorted van tour viewing western arctic birds and mammels, some hiking and 3 nights in Inuuik/Tuktoyaktuk	• camping and motel accommodations, all meals, escort and return airfare from Inuuik to Tuktoyaktuk included
BRITISH COLUMBIA			
Haida Gwaii Watchmen	P.O. Box 699 Queen Charlotte City, BC VOT 180	• guided wilderness tours to ancestral village sites, featuring salmon barbeques and Haida Art	

APPENDIX

NORTHERN CANADIAN COMPETING PACKAGES
BY SPECIALTY MARKETS

NATURE/PHOTOGRAPHIC PACKAGES

COMPANY	LOCATION OF OPERATION	PACKAGE DESCRIPTION	COMMENTS
Humming Bird Nature Tours	137-232nd Street Maple Ridge, BC V2X 6V3 604-467-4219	• offers a variety of birding trips, photography tours and anthropological trips	
MANITOBA			
Peregrine Heritage Tours	Box 1856 Winnipeg, Manitoba R3C 3R1 204-944-1169	• customized heritage tours for birding, natural history and human heritage.	• French and English tours available.
Riding Mountain Nature Tours	Box 429, General Delivery Erickson, Manitoba R0J 0P0 204-848-2977	• outdoor tours of Riding Mountain National Park including bus tours, boat cruises on Clear Lake, mountain bike tours, horseback riding and interpretative tours. Naturalist-guided hiking and backpacking trips, nature and wildlife excursions.	
Tundra Buggy Tours	Box 662 Churchill, Manitoba R0B 0E0 204-675-2121	• biophysical summer nature tours and fall polar bear expeditions.	

The following is a listing of wholesalers from North America, the United Kingdom, France and Germany who offer package tours to Canada. These wholesalers offer a variety of adventure tours, fishing and hunting packages to several northern destinations in North America.

ADVENTURE TRAVEL WHOLESALERS

NORTH AMERICA (CANADA)

- Sobek Expeditions Inc. (416) 479-2600
  159 Main Street
  Unionville, Ontario
  L3R 2G8

- Black Feather Wilderness Adventures (Trailhead) (613) 722-9717
  1341 Wellington Street West
  Ottawa, Ontario
  K1Y 3B8

- Adanac Tours Limited (416) 962-6988
  190 Avenue Road
  Toronto, Ontario
  M5R 2J1

- Ecosummer Canada (604) 669-7741
  304 - 207 W. Hasting Street
  Vancouver, British Columbia
  V6B 1H7

- Canada North Outfitting Limited (416) 689-7925
  Box 1230
  Waterdown, Ontario
  L0R 2H0

UNITED KINGDOM

- CP Air Holidays
  Cross Keys House
  Haslett Avenue
  Crawley, West Sussex
  England
  Telephone: (0293) 517822
  Telex: 877151

  - Serving groups, individuals, scheduled tours, incentive travel and independent packages

- Dyton Holidays
  10 Anzeec House
  6 Stour Street
  Canterbury, Kent
  England
  Telephone: (0227) 57561
  Telex: 96228

  - Escorted tours, including fishing packages

- Twickenham Travel
  84 Hampton Road
  Twickenham, Middlesex
  England
  Telephone: (01) 898-8221
  Telex: 25780

  - Features rugged adventure packages in Canada's far west and north. Backpacking and canoeing tours

FRANCE

Canadian National 1, rue Scribe 75009 - Paris France Telephone: 742.76.50	Complete range of travel i.e., observing whales, 4 x 4 truck excursions.
C.V. Tours 15, rue Cortambert 75116 - Paris France Telephone: 503.46.80	Regular tours, incentive travel, photographic safaris.
Delta/OITT 7, rue Francis-de-Pressense 75014 - Paris France Telephone: 539.25.18	Open air and adventure tours.
G.P. Chasse et Peche 12, rue de Rome 75008 - Paris France Telephone: 387.75.14	Specializing in hunting and fishing.
Intervac 12, rue de Castiglione 75001 - Paris France Telephone: 261.54.24	Independent tourism programs for Eastern Canada.
Nouvilles Frontieres 74, rue de la Federation 75015 - Paris France Telephone: 273.25.25	Sport and adventure package tours.

GERMANY

- Airtours International
  Adalbert Str. 44-48
  D-6000 Frankfurt / M.90
  Germany
  Telephone: (0611) 79281
  - Guided tours, bus tours, winter ski tour packages

- AWTS Reise GmbH
  Leo-Putz-Weg 17
  D-8035 Gawting/Mun
  Germany
  Telephone: (084) 8506777
  - Trekking tours through Canada and the U.S.

- Balzer Angelreisen
  Spessart Str. 13
  D-6420 Lauterbach / Hess.
  Germany
  Telephone: (06641) 7071
  - Fishing packages in Ontario, Quebec.

- Bruhns Reisen
  Kirchenallec 34
  D-2000 Hamburg 1
  Germany
  Telephone: (040) 245585
  - Individual and group travel throughout Canada. Specializes in special interest groups, bus tours, adventure tours and outdoor activities.

- CA-Ferntouristik GmbH
  Geiger Str. 13
  D-8032 Graefeifing / Mun
  Germany
  Telephone: (089) 851661
  - Tours to Canada including fly/drive tours, adventure tours, canoeing, backpacking.

- Canada Alaska Arctic Tours CAT
  Seestrasse 55
  D-7760 Radolfzell - Bodensie
  Germany
  Telephone: (07732) 52525
  - Tours include fishing, hunting, nature tours etc., to N.W.T., Quebec and B.C.

- Canada Reise Denst GmbH
  Grosse Strasse 2
  D-2070 Ahrensburg
  Germany
  Telephone: (04102) 51167
  - Provide programmes like drive tours, adventure tours, fishing, hunting, outdoor activities, cruises, but tours, etc.

• Deutsches Jugendherbergswerk Buelowlstr. 26 D-4930 Detmold Germany Telephone: (65231) 31091	- Bus/camping tours and canoe/wilderness tours available.
• Individuelle Angel - und Jagdreisen Kloth KG Postfach 1366 D-2057 Reinbeck Germany Telephone: (040) 7203124	- Fishing and hunting tours to several destinations in Canada.
• Lumperjack Jagd - Vermittuing Schuerkamp 16 D-4400 Munster Germany Telephone: (0251) 71092	- Hunting packages.
• Muskwa Safaris Kellerskopfstrasse 41 D-6904 Tavnusstein 2 Germany Telephone: (06128) 41542	- Operates fishing, hunting, riding and camping holidays.
• Vobis Reisen Landsberger Str.478 D-8000 Munich 60 Germany Telephone: (084) 836004	- Specialize in individual holidays featuring wilderness camp mwith native guides, canoeing, rafting and adventure holidays.
• Wengert-Windrose-Safari Weisensleiger Str. 20 D-7341 Muehlhausen Germany Telephone: (07335) 5204	- Offers fishing, camper, cottage and hunting programmes.
• Western Adventure Tours WAT Post fach 1447 D-7440 Nuertingen Germany Telephone: (07022) 46611	- Adventure and rcreation tours, wilderness tours salmon and trout fishing tours.

- Wildnistouren
  R. Funnemann GmbH
  Triftstrasse 30
  D-6000 Frankfurt/M.71
  Germany
  Telephone: (0611) 6703232

  - Small operator, very specialized in fishing, hunting, wildenress expeditions.

Appendix D

Developing a Lure Brochure

Source: Tourism is Your Business, Marketing Management, Tourism Canada, 1986

The importance of your brochure

Of all the sales support materials mentioned above, the most important is your brochure. That's because it is the one item that is most likely to make the initial sale.

In other industries, a brochure is useful as a reminder of the existence or value of a particular product or service. It serves this function in the tourism industry, too. But in the tourism industry, a brochure must do a lot more than that.

Since customers are often a long way from the product or service they are thinking of buying, they are heavily dependent on indirect information. This is certainly the case when they are buying the facilities or services of a destination resort, hotel, hunting or fishing lodge, wilderness adventure product, and so on — although it may not be the case if they are buying the facilities or services of a highway motel or restaurant.

Nevertheless, customers will research the product or service they are buying as best as they can. In the majority of cases, that means they will want to see — and to study in detail — your brochure. If so, then your brochure is in effect the product they are buying. They cannot see the actual product, so they cannot directly buy that. Instead, they buy what they see and read in the brochure.

For this reason, most of this chapter is devoted to brochures. However, it should be stressed that all the principles we discuss apply with equal merit to any of the other printed sales support materials that you may produce.

The role of your brochure

As a general rule, there are two main audience groups for your brochure: end-use customers and travel trade intermediaries. For both of these groups, the brochure will have to perform a number of functions. The main ones are identified in Figure 28 *(see page 186).*

Types of brochures

Although a brochure should usually fulfill a range of functions, sometimes one particular role will dominate. In fact, in some cases, one role may be so dominant that, effectively, it becomes the only role. The brochure is then said to be a specific-purpose brochure.

There are three main types of specific-purpose brochures used in the tourism industry. They are described below.

- **Informational brochures**
  As the name suggests, these brochures are designed to provide information. Often, they simply contain listings, with a brief description of various facilities and services. The only overt 'sell' they contain may take the form of photographs or a few descriptive paragraphs of text.

  Convention kits, travel guides and directories are examples of this kind of brochure.
- **Promotional brochures**
  These brochures form the substance of most of this chapter, so we will not go into detail here. However, their main function is not just to inform, it is also to sell.
- **Lure brochures**
  This is the name given to those brochures that are produced by government tourism departments, convention bureaus, chambers of commerce and tourist associations to attract visitors to a particular area. They are therefore outside the scope of this manual. However, they can help you considerably, if you can use them as a mailing piece or sales support aid in conjunction with your own brochure.

Figure 28 MAIN FUNCTIONS OF A TOURISM INDUSTRY BROCHURE

	AUDIENCE GROUP	
Possible Roles or Functions	**Individual and Group Customers**	**The Travel Trade**
Sell facilities and services	✓	
Provide booking information	✓	✓
Provide details on facilities and services	✓	✓
Function as a sales and reservations guide		✓
Provide trip planning information	✓	✓
Show to friends, relatives and business associates before and after trip	✓	
Assist with 'comparison shopping'	✓	✓
Enhance post-trip remembrances	✓	

Brochure content and design

Your brochure need not be elaborate or expensive. A well-written, well-designed, one-fold, black-and-white brochure can work just as effectively, in many cases, as a much more expensive 'work of art'.

When trying to decide what kind of brochure you need — and what it should look like and what it should contain — you need to consider the following:

- Your target market(s).
- The intended role(s) of your brochure.
- The reasons your customers buy from you.
- The size of your promotion budget.

The place to start is, of course, with your target markets. And the first thing to realize here is that you may need more than one brochure — that is, one brochure for each of your target markets.

For example, you may need a promotional brochure for families and vacationers which you can use during school vacations, and an informational brochure for buyers of group meetings and conventions. Alternatively, you may require another promotional brochure for retired couples, which you can use during shoulder or off-peak periods.

Your first step then is to evaluate each of your major market segments and decide how many brochures you are going to need.

Your next step is to decide on the content of your brochure. As a rule, nearly all brochures should contain the following:

- Name of the facility and its logo.
- Illustrations of major features, facilities and services.
- Descriptive text or copy (including coverage of local demand-generators).
- Selling or motivational copy, highlighting customer appeals and unique selling points.
- Business location, address, telephone and telex number.
- Map showing how to get there.

Detailed information on prices, discounts, travel booking procedures and terms, deposit requirements, conditions for cancellations and refund claims should be provided in a separate insert, which can be updated and replaced as and when required.

As for the design of your brochure, it should follow the AIDA formula discussed under advertising — that is, it should capture the readers' attention; raise interest; create a desire; and generate action that leads to a purchase.

If you have a four-page brochure (that is, a single sheet of paper folded in the middle), then the front cover should capture attention and encourage customers to pick the brochure up. That means it will need a headline and copy, and almost certainly an illustration, which acts as an 'attention grabber'.

The inside two pages should generate interest with additional text and possibly some other illustrations and/or photographs. The text should be as motivational as possible, making the reader sufficiently involved in the product to start considering it in earnest. It should also highlight your unique selling points, and it should stress your competitive strengths.

The text should also contain information that creates a desire to purchase. This means it should describe the key facilities, services and programs that are being offered, so that the reader has a complete understanding of the benefits your business has to offer.

The back page of the brochure should then contain the information that's needed to generate action. This would include your business' name, location, address, telephone and telex number, and information on how to make a reservation.

Selecting photographs

Nearly all brochures benefit from the presence of illustrations. These illustrations do not necessarily have to be photographs – they could, for example, be simple black-and-white line drawings. However, photographs are more credible than 'artist's impressions', and should be used whenever possible.

The most effective photographs are action shots of customers using your facilities and services. A photograph of a customer catching a fish has more impact than a photograph of dead fish. A photograph of a water slide with someone coming down it is more effective than a photograph of an empty swimming pool. A photograph of a crowded dance floor where people are having fun is more effective than a photograph of a large empty room.

Tennis courts, meeting rooms, convention halls, restaurants, bars – all these facilities should be shown in use.

However, make sure that you do not run photographs of people using your facilities in a wrong or inappropriate way – for example, using a swimming pool without proper supervision, or showing an overcrowded boat.

In addition, you should:

- Only use photographs that have been taken professionally (or at least to professional standards).
- Use a range of photographs to show off all your facilities and services.
- Consider using photographs of local attractions or other facilities that complement the ones you are offering.
- Avoid using too many photographs, to the point where your brochure becomes overcrowded; a small number of large photographs has more impact than a large number of small ones.
- Only use photographs that are genuinely representative. Obviously, you would not use a photograph of a swimming pool if you did not actually have one; but nor should you run a photograph of a guest

room with flowers and fruit baskets if your guest rooms do not normally contain flowers and fruit baskets.

- Maintain a photograph library and keep duplicates of your best shots.
- Avoid using photographs that will rapidly date — for example, photographs of cars, buildings under construction, people's clothing or hair styles that may soon go out of fashion, and so on.
- Always run a caption with each photograph explaining precisely what the photograph shows.
- Try to put a selling message into your captions, since captions are read more carefully than text.

Other design considerations

In addition to the points listed above, there are several others that relate to the design of your brochure (and to any of your other sales support materials). Here are the main ones that you should keep in mind.

- Use clear, simple type, with different sizes for your titles, sub-titles, headings and copy. Avoid ornate type styles; and do not mix several styles, since that makes the copy disjointed and hard to read.
- Use black ink on white paper for easy legibility and strong impact.
- Do not overprint your type with a coloured screen; that makes the type difficult to read. Instead, use colour in your headings and borders or to highlight key information.
- Do not use too many colours; keep the brochure simple.
- Organize your material carefully; do not mix different kinds of information.
- Follow the AIDA formula in laying out the sections.
- Leave a lot of white space, particularly in the 'sell' section of your brochure. This will help highlight the selling information, and ensure that the material is not missed by your readers.
- Try to make your brochure 8½" x 11" in size. It will then be suitable for display on travel information racks. Many travel information centres still use smaller racks, but travel agents no longer display the smaller brochures.
- Put the front cover copy on the top quarter of the page, so that it can be seen when displayed on a travel information rack.
- Make sure your brochure's layout is consistent; do not try to be clever or too creative; again, keep it simple.
- Leave space on the back cover for a travel agent's stamp.

Printing your brochure

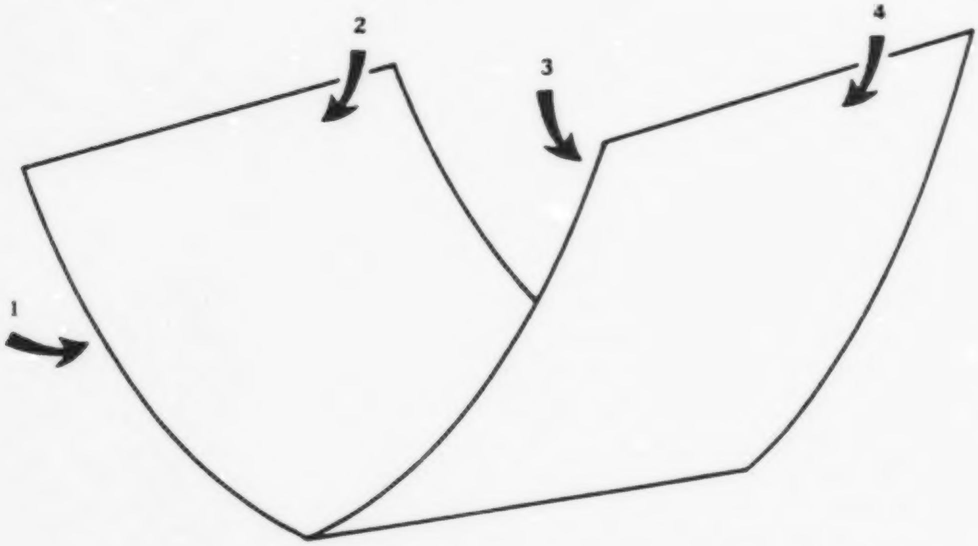
Printing a brochure can be expensive, so it pays to find ways to keep your costs down. The following factors have the most effect on your printing costs:

- Type of paper stock used.
- Number of pages and their size.
- Number of colours.
- Type and manner of folding and binding.
- Number of copies printed.
- Printing process used.
- The need for special cutting or inserts.

Paper varies widely in cost. Newsprint is relatively cheap, while heavy glossy paper is expensive. You should try to use the minimum grade paper you can, while still making sure your brochure works. For example, even though it is expensive, you may have to use glossy paper if you want high-quality colour reproduction; or you might have to use heavy paper if you want your brochure to stand up in a rack.

The size of the paper sheet and size of the page are important, because they determine the number of cuts required, and the amount of waste. Buying paper in standard lots almost always saves money.

Obviously, more pages represent more cost. However it is hard to alter the number of pages in any way other than in multiples of four. That's because each sheet of paper provides four pages, as illustrated below.



Each primary colour used (including black) requires a separate colour separation, a separate plate and a separate print run. The more colours, therefore, the higher the cost.

The number of folds significantly affects costs, since folding is often a manual operation. Binding is also expensive, but with smaller brochures, it may not be needed.

The number of copies you print is obviously another important cost factor. The cost per copy diminishes rapidly with increased print runs, so it may be advisable to print two or three years' supply at one time, rather than reprint every year. This is one other reason to make sure that your brochure does not date.

Different printing processes can result in widely varying costs. You can often save money by using a less-than-best process, without suffering a noticeable loss in quality. Several printers should be asked about the processes they offer, and their costs compared. Also, ask to see samples of printing using the various processes before making a decision on which one to use.

Special cutting requirements, such as for non-standard sheet sizes or shapes, can dramatically increase costs. As much as possible, they should be avoided.

Inserts, too, will increase costs; but some inserts — for example, of an order card or rate card — will still be worth it.

Distributing your brochure

There are a number of distribution channels that you can use to get your brochures into the hands of the right people. The main ones are:

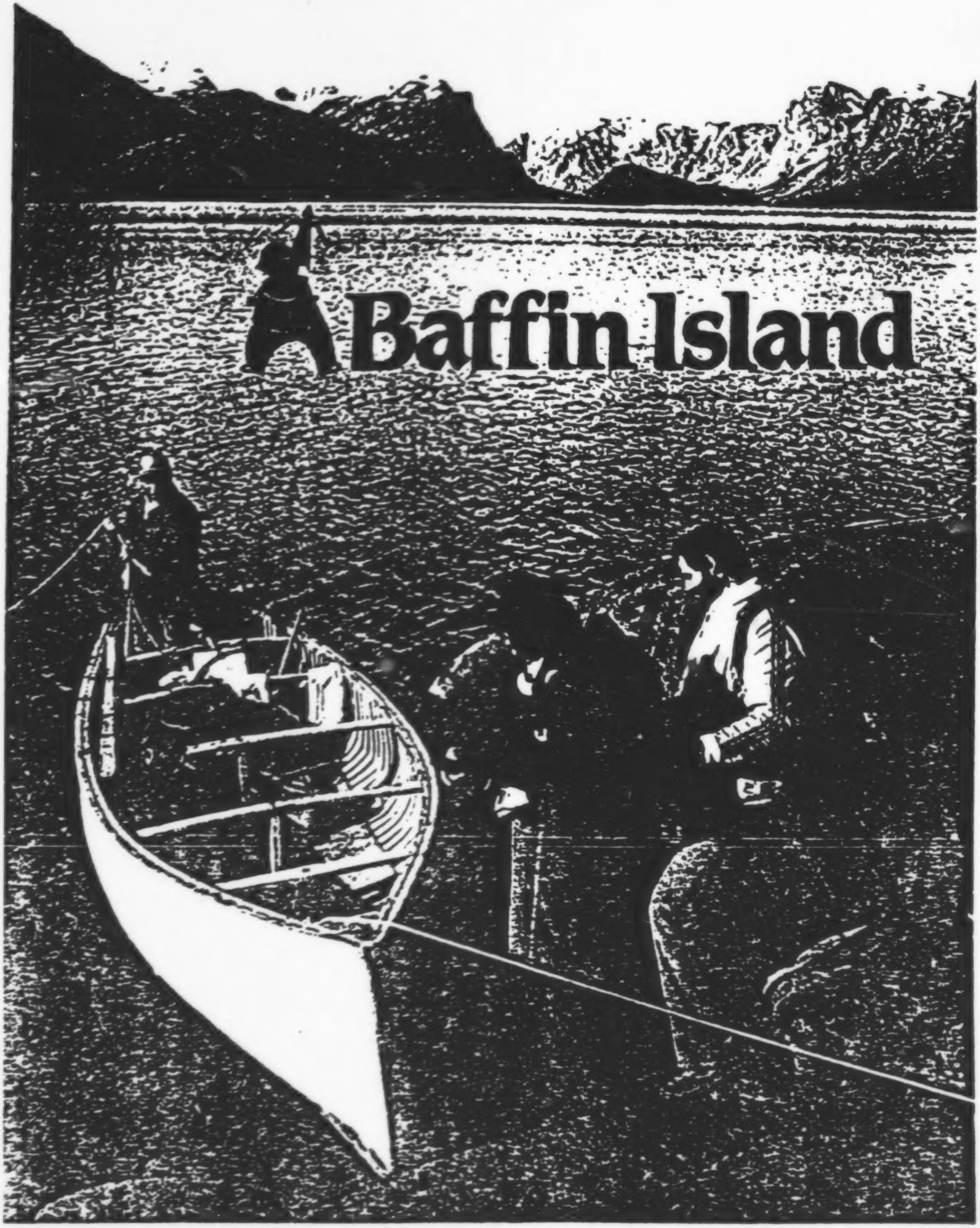
- Bulk or individual mailings to potential and past customers.
- Government, provincial/territorial tourism organizations, regional travel associations, chambers of commerce and tourist information centres.
- Hotel, restaurant and attraction lobby areas.
- Club, association or other group functions that are matched to your target markets.
- Appropriate public events, fairs and festivals.
- Transportation centres such as airports, highway service centres, ferry terminals and bus and train stations.
- Travel agencies, tour wholesalers and other travel influencers.
- Consumer and travel trade shows.

Because of the costs involved, you will need to develop a carefully planned distribution program. You don't want to over-distribute and so waste brochures. You should make preliminary enquiries to find out how many brochures each distribution outlet is likely to use productively. Past business volumes from each source are a good indication of the number that should be supplied. You can always supply more brochures at a later date.

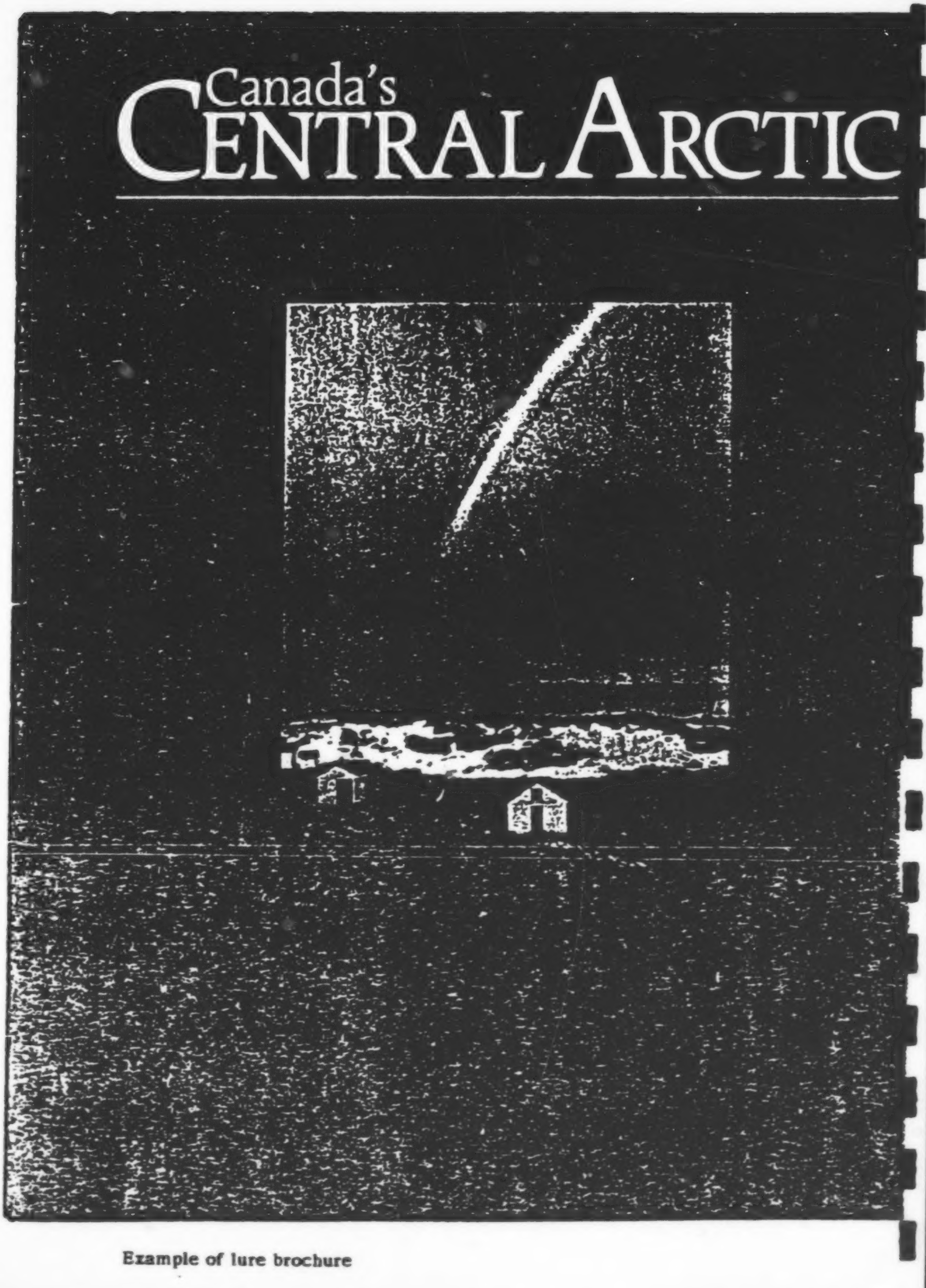
There are several specialized distribution companies in Canada (and elsewhere). They should be considered if you have an extensive distribution program. Usually, these companies maintain specialized mailing lists that may be of interest to you. Remember, though, that mailing lists quickly become dated.

As an indication, statistics show that 20% of the population moves every year.

In some instances, there may be real benefits in delivering the brochures yourself or having a staff member deliver them for you. This is especially true when delivering to complementary businesses in your area, or to local travel information centres. A personal delivery can be used as a 'sales' call. It might also turn up cooperative promotion opportunities. And it is good public relations.

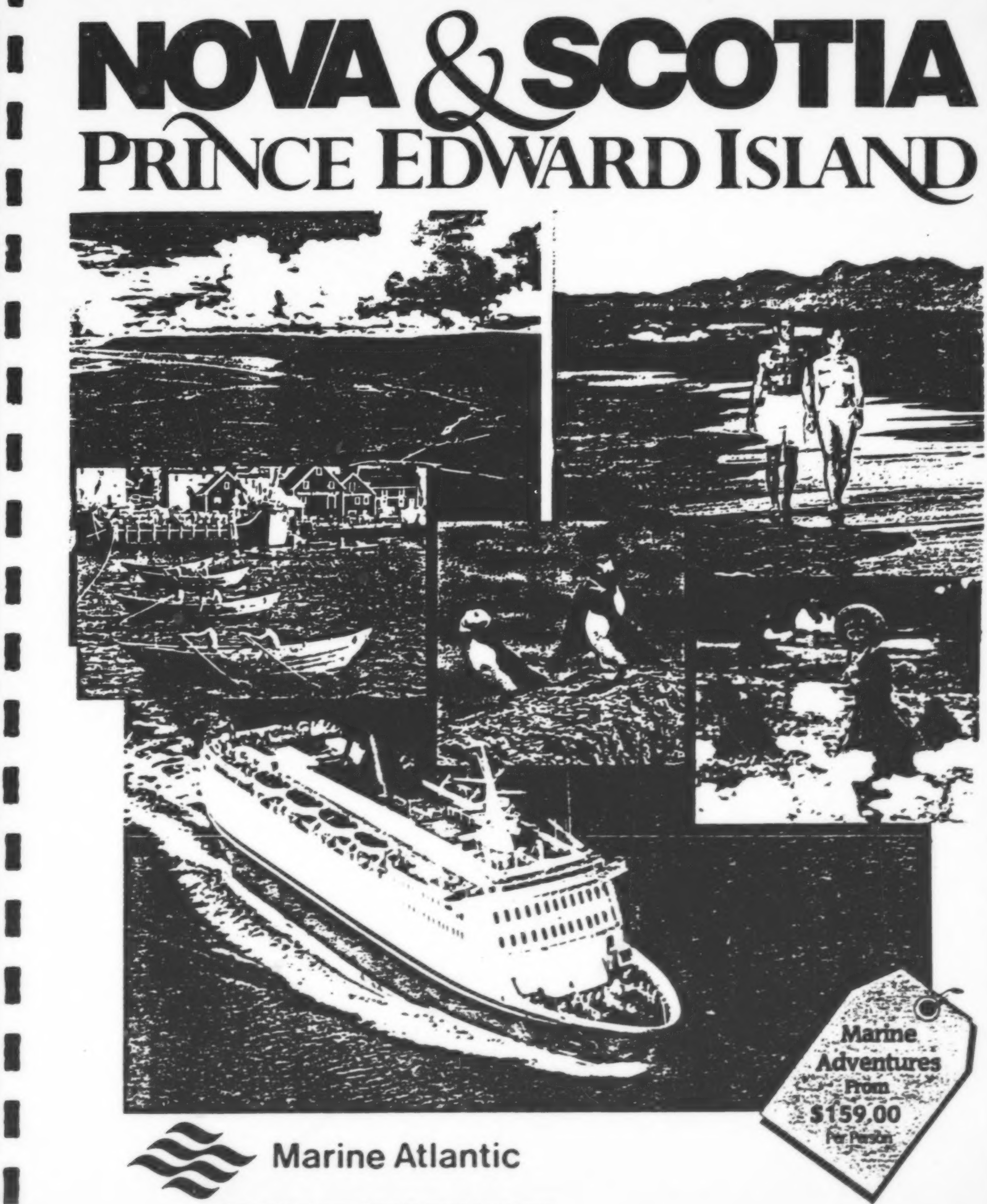

Baffin Island

Example of lure brochure



Canada's
CENTRAL ARCTIC

Example of lure brochure

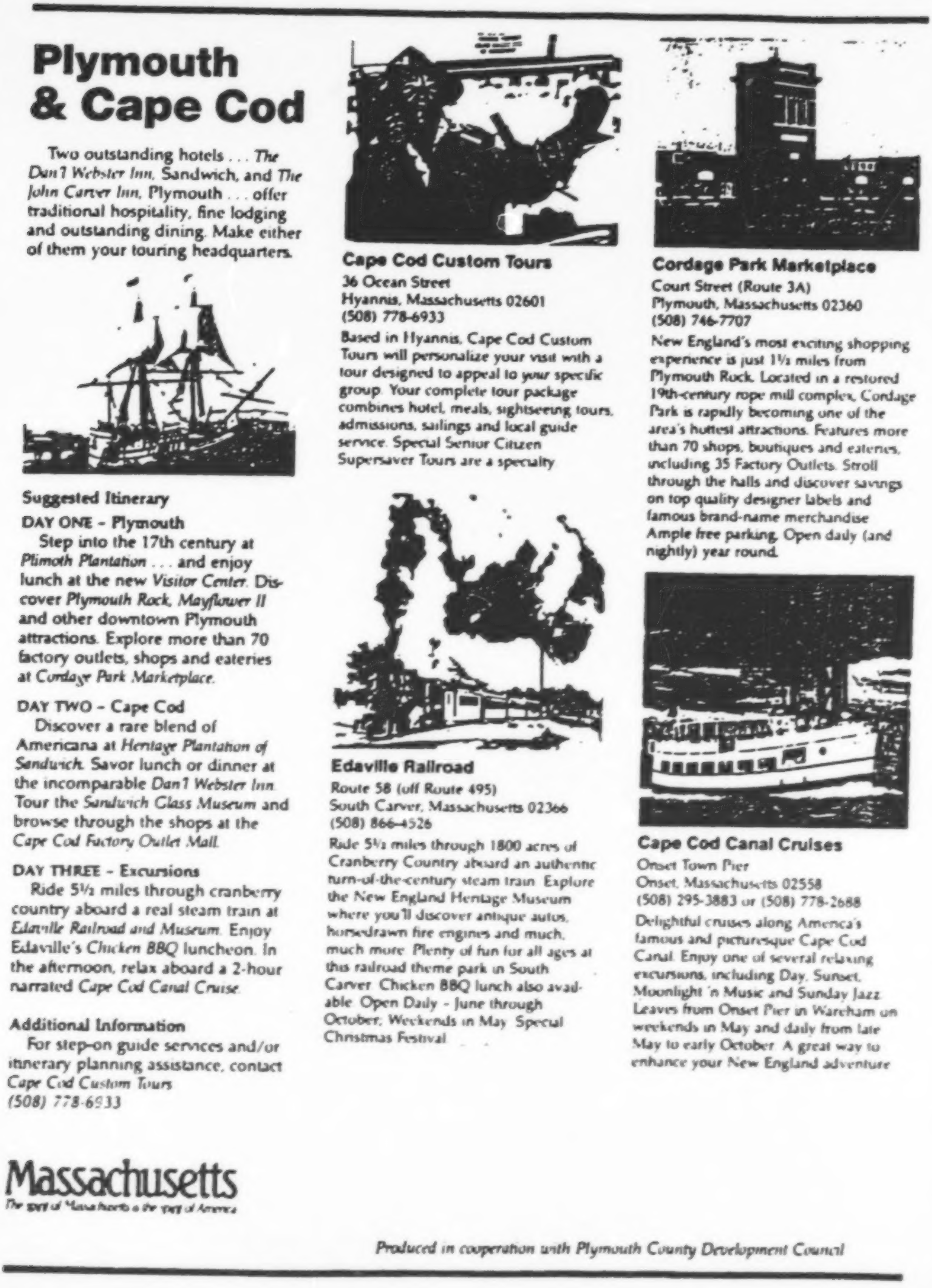


NOVA & SCOTIA
PRINCE EDWARD ISLAND

Marine
Adventures
From
$159.00
Per Person

Marine Atlantic

Example of tour development packages



Plymouth & Cape Cod

Two outstanding hotels . . . *The Dan'l Webster Inn*, Sandwich, and *The John Carver Inn*, Plymouth . . . offer traditional hospitality, fine lodging and outstanding dining. Make either of them your touring headquarters.

Suggested Itinerary

DAY ONE – Plymouth

Step into the 17th century at *Plimoth Plantation* . . . and enjoy lunch at the new *Visitor Center*. Discover *Plymouth Rock*, *Mayflower II* and other downtown Plymouth attractions. Explore more than 70 factory outlets, shops and eateries at *Cordage Park Marketplace*.

DAY TWO – Cape Cod

Discover a rare blend of Americana at *Heritage Plantation of Sandwich*. Savor lunch or dinner at the incomparable *Dan'l Webster Inn*. Tour the *Sandwich Glass Museum* and browse through the shops at the *Cape Cod Factory Outlet Mall*.

DAY THREE – Excursions

Ride 5½ miles through cranberry country aboard a real steam train at *Edaville Railroad and Museum*. Enjoy Edaville's *Chicken BBQ* luncheon. In the afternoon, relax aboard a 2-hour narrated *Cape Cod Canal Cruise*.

Additional Information

For step-on guide services and/or itinerary planning assistance, contact *Cape Cod Custom Tours* *(508) 778-6933*

Cape Cod Custom Tours

36 Ocean Street
Hyannis, Massachusetts 02601
(508) 778-6933

Based in Hyannis, Cape Cod Custom Tours will personalize your visit with a tour designed to appeal to *your* specific group. Your complete tour package combines hotel, meals, sightseeing tours, admissions, sailings and local guide service. Special Senior Citizen Supersaver Tours are a specialty.

Edaville Railroad

Route 58 (off Route 495)
South Carver, Massachusetts 02366
(508) 866-4526

Ride 5½ miles through 1800 acres of Cranberry Country aboard an authentic turn-of-the-century steam train. Explore the New England Heritage Museum where you'll discover antique autos, horsedrawn fire engines and much, much more. Plenty of fun for all ages at this railroad theme park in South Carver. Chicken BBQ lunch also available. Open Daily – June through October; Weekends in May. Special Christmas Festival.

Cordage Park Marketplace

Court Street (Route 3A)
Plymouth, Massachusetts 02360
(508) 746-7707

New England's most exciting shopping experience is just 1½ miles from Plymouth Rock. Located in a restored 19th-century rope mill complex, Cordage Park is rapidly becoming one of the area's hottest attractions. Features more than 70 shops, boutiques and eateries, including 35 Factory Outlets. Stroll through the halls and discover savings on top quality designer labels and famous brand-name merchandise. Ample free parking. Open daily (and nightly) year round.

Cape Cod Canal Cruises

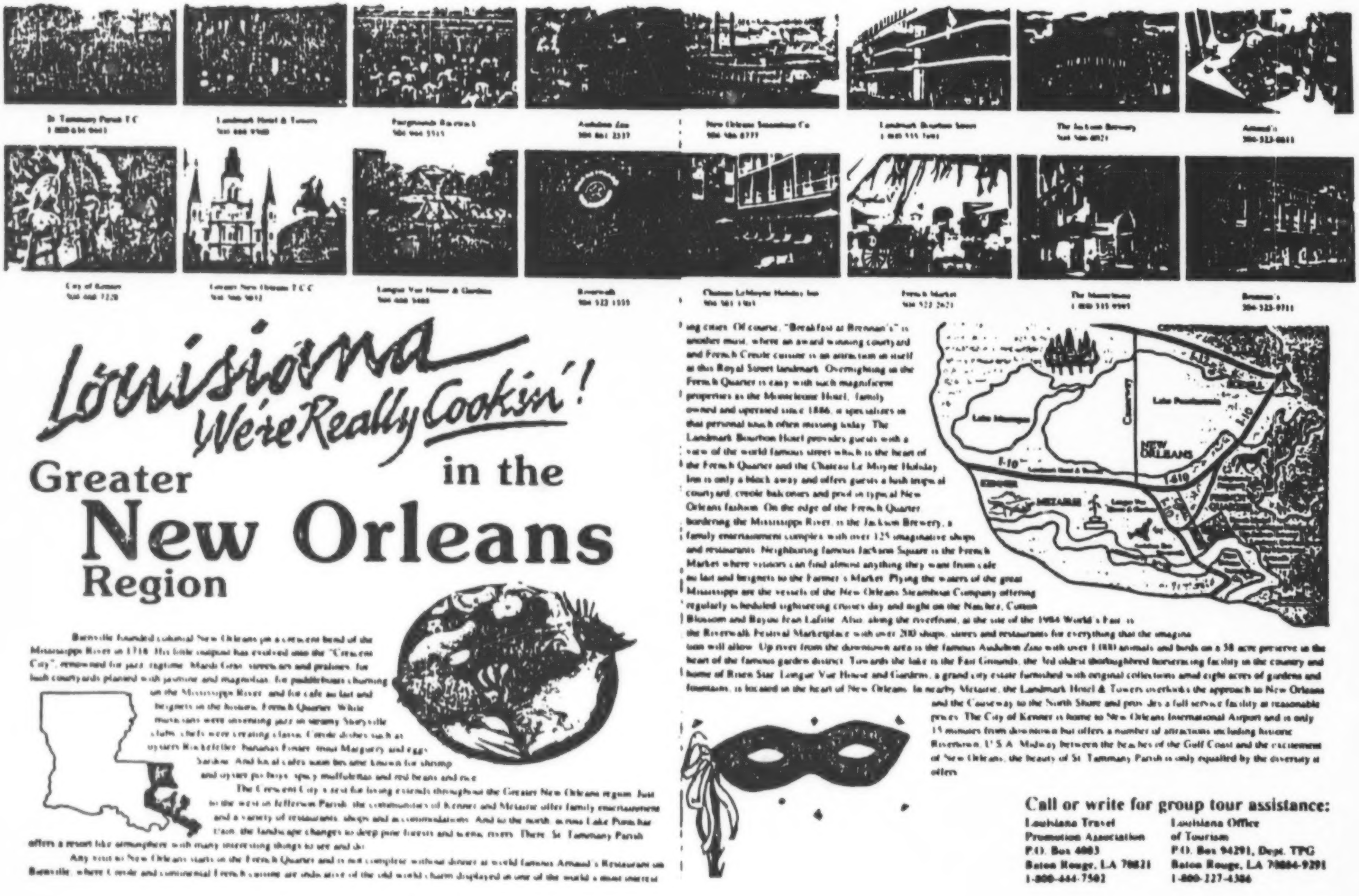
Onset Town Pier
Onset, Massachusetts 02558
(508) 295-3883 or (508) 778-2688

Delightful cruises along America's famous and picturesque Cape Cod Canal. Enjoy one of several relaxing excursions, including Day, Sunset, Moonlight 'n Music and Sunday Jazz. Leaves from Onset Pier in Wareham on weekends in May and daily from late May to early October. A great way to enhance your New England adventure.

Massachusetts
The spirit of Massachusetts is the spirit of America

Produced in cooperation with Plymouth County Development Council

Example of cooperative advertisement


Louisiana
We're Really Cookin'!
Lake Maurepas
Lake Pontchartrain
Causeway
NEW ORLEANS
I-10
I-610
KENNER
METAIRIE

St. Tammany Parish T.C.
[illegible]

Landmark Hotel & Towers
[illegible]

Fairgrounds Racecourse
[illegible]

Audubon Zoo
504-861-2537

New Orleans Steamboat Co.
[illegible]

Landmark Bourbon Street
[illegible]

The Jackson Brewery
[illegible]

Arnaud's
504-523-0611

City of Kenner
[illegible]

Greater New Orleans T.C.C.
[illegible]

Longue Vue House & Gardens
[illegible]

Riverwalk
504-522-1555

Chateau LeMoyne Holiday Inn
[illegible]

French Market
504-522-2621

The Monteleone
1-800-535-9595

Brennan's
504-525-9711

Greater New Orleans Region

Bienville founded colonial New Orleans on a crescent bend of the Mississippi River in 1718. His little outpost has evolved into the "Crescent City", renowned for jazz, ragtime, Mardi Gras, streetcars and pralines; for lush courtyards planted with jasmine and magnolias; for paddleboats churning on the Mississippi River; and for cafe au lait and beignets in the historic French Quarter. While musicians were inventing jazz in steamy Storyville clubs, chefs were creating classic Creole dishes such as oysters Rockefeller, bananas Foster, trout Marguery and eggs Sardou. And local cafes soon became known for shrimp and oyster po-boys, spicy muffulettas and red beans and rice.

The Crescent City's zest for living extends throughout the Greater New Orleans region. Just to the west in Jefferson Parish, the communities of Kenner and Metairie offer family entertainment and a variety of restaurants, shops and accommodations. And to the north, across Lake Pontchartrain, the landscape changes to deep pine forests and scenic rivers. There, St. Tammany Parish offers a resort-like atmosphere with many interesting things to see and do.

Any visit to New Orleans starts in the French Quarter and is not complete without dinner at world famous Arnaud's Restaurant on Bienville, where Creole and continental French cuisine are indicative of the old world charm displayed in one of the world's most interesting cities. Of course, "Breakfast at Brennan's" is another must, where an award winning courtyard and French Creole cuisine is an attraction in itself at this Royal Street landmark. Overnighting in the French Quarter is easy with such magnificent properties as the Monteleone Hotel, family owned and operated since 1886, it specializes in that personal touch often missing today. The Landmark Bourbon Hotel provides guests with a view of the world famous street which is the heart of the French Quarter and the Chateau Le Moyne Holiday Inn is only a block away and offers guests a lush tropical courtyard, creole balconies and pool in typical New Orleans fashion. On the edge of the French Quarter bordering the Mississippi River, is the Jackson Brewery, a family entertainment complex with over 125 imaginative shops and restaurants. Neighboring famous Jackson Square is the French Market where visitors can find almost anything they want from cafe au lait and beignets to the Farmer's Market. Plying the waters of the great Mississippi are the vessels of the New Orleans Steamboat Company offering regularly scheduled sightseeing cruises day and night on the Natchez, Cotton Blossom and Bayou Jean Lafitte. Also, along the riverfront, at the site of the 1984 World's Fair, is the Riverwalk Festival Marketplace with over 200 shops, stores and restaurants for everything that the imagination will allow. Up river from the downtown area is the famous Audubon Zoo with over 1,000 animals and birds on a 58 acre preserve in the heart of the famous garden district. Towards the lake is the Fair Grounds, the 3rd oldest thoroughbred horseracing facility in the country and home of Risen Star. Longue Vue House and Gardens, a grand city estate furnished with original collections amid eight acres of gardens and fountains, is located in the heart of New Orleans. In nearby Metairie, the Landmark Hotel & Towers overlooks the approach to New Orleans and the Causeway to the North Shore and provides a full service facility at reasonable prices. The City of Kenner is home to New Orleans International Airport and is only 15 minutes from downtown but offers a number of attractions including historic Rivertown, U.S.A. Midway between the beaches of the Gulf Coast and the excitement of New Orleans, the beauty of St. Tammany Parish is only equalled by the diversity it offers.

Call or write for group tour assistance:

Louisiana Travel
Promotion Association
P.O. Box 4083
Baton Rouge, LA 70821
1-800-444-7502

Louisiana Office
of Tourism
P.O. Box 94291, Dept. TPG
Baton Rouge, LA 70804-9291
1-800-227-4386

Example of cooperative advertisement